

SENATE.

TUESDAY, January 26, 1909.

Prayer by the Chaplain, Rev. Edward E. Hale.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. KEAN, and by unanimous consent, the further reading was dispensed with.

The VICE-PRESIDENT. The Journal stands approved.

ELECTORAL VOTE OF CALIFORNIA.

The VICE-PRESIDENT laid before the Senate a communication from the Secretary of State, transmitting, pursuant to law, an authenticated copy of the certificate of the final ascertainment of electors for President and Vice-President appointed in the State of California, which, with the accompanying paper, was ordered to be filed.

EAST WASHINGTON HEIGHTS TRACTION RAILROAD COMPANY.

The VICE-PRESIDENT laid before the Senate the annual report of the East Washington Heights Traction Railroad Company of the District of Columbia for the fiscal year ended December 31, 1908 (H. Doc. No. 1370), which was referred to the Committee on the District of Columbia and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. Browning, its Chief Clerk, announced that the House had passed the following bills with amendments, in which it requested the concurrence of the Senate:

S. 2024. An act to amend an act authorizing the Commissioners of the District of Columbia to grant to the Veteran Volunteer Firemen's Association use of certain property in the city of Washington, approved March 2, 1891; and

S. 6359. An act to change the name and jurisdiction of the inferior court of justice of the peace in the District of Columbia.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 23707. An act to incorporate the Imperial Palace, Dramatic Order Knights of Khorassan;

H. R. 26920. An act to repeal section 12 of an act entitled "An act to provide for a union railroad station in the District of Columbia, and for other purposes," approved February 28, 1903, and to provide for the location and erection of a substation on the parking at the corner formed by the intersection of the east side of Seventh street and the south side of C street SW., in the city of Washington, D. C., by the Philadelphia, Baltimore and Washington Railroad Company, and to provide for the approval of the same by the Commissioners of the District of Columbia; and

H. J. Res. 200. Joint resolution granting to the Fifth Regiment Maryland National Guard the use of the corridors of the courthouse of the District of Columbia upon such terms and conditions as may be prescribed by the marshal of the District.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 23464) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1910, and for other purposes; asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. BINGHAM, Mr. GILLET, and Mr. LIVINGSTON managers at the conference on the part of the House.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice-President:

H. R. 8733. An act for the relief of Walter W. Keefe;

H. R. 9969. An act for the relief of George J. Miller, of Wenatchee, Wash.;

H. R. 15218. An act for the relief of the sureties on the official bond of the late Cornelius Van Cott;

H. R. 23849. An act granting pensions and increase of pensions to certain soldiers and sailors of the civil war and certain widows and dependent relatives of such soldiers and sailors;

H. R. 23850. An act granting pensions and increase of pensions to certain soldiers and sailors of the civil war and certain widows and dependent relatives of such soldiers and sailors; and

H. R. 25409. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the civil war, and to widows and dependent relatives of such soldiers and sailors.

CREDENTIALS.

Mr. TELLER. Mr. President, I take pleasure in presenting the credentials of my successor, Hon. CHARLES J. HUGHES, as a Member of this body. I ask that the credentials may be read and placed on file.

The credentials of CHARLES J. HUGHES, Jr., chosen by the legislature of the State of Colorado a Senator from that State for the term beginning March 4, 1909, were read and ordered to be filed.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented a petition of Puget Sound Harbor, No. 16, American Association of Masters, Mates, and Pilots, of Seattle, Wash., praying for the passage of the so-called "Knox bill" concerning licensed officers of steam and sail vessels, which was referred to the Committee on Commerce.

He also presented a petition of Henderson Grange, No. 96, Patrons of Husbandry, of Henderson, Colo., praying for the passage of the so-called "rural parcels post" and "postal savings banks" bills, which was referred to the Committee on Post-Offices and Post-Roads.

He also presented the memorial of Rev. E. R. Taylor, of Kansas City, Mo., remonstrating against the course pursued by the President in connection with the discharge without honor of certain soldiers and noncommissioned officers of the Twenty-fifth U. S. Infantry, etc., which was ordered to lie on the table.

He also presented a petition of the Ship and Marine Engine Builders' Association, of Baltimore, Md., praying for the enactment of legislation relating to liens on vessels for repairs, supplies, and other necessities, which was referred to the Committee on Commerce.

He also presented a memorial of the Philadelphia Peace Association of the Society of Friends, of Pennsylvania, remonstrating against the enactment of legislation providing for a further expansion of the navy, which was referred to the Committee on Naval Affairs.

Mr. GALLINGER. I present a memorial on behalf of 14 citizens' associations of the District of Columbia, proposing a plan for a change of government of the District. I ask that it be printed in the Record and also as a document and referred to the Committee on the District of Columbia.

There being no objection, the memorial was referred to the Committee on the District of Columbia and ordered to be printed as a document (S. Doc. No. 684) and to be printed in the Record, as follows:

RESOLUTIONS ADOPTED AND PLAN OF GOVERNMENT PROPOSED FOR THE DISTRICT OF COLUMBIA BY A CONVENTION COMPOSED OF DELEGATES FROM 14 CITIZENS' ASSOCIATIONS, HELD AT THE RIGGS HOUSE, IN WASHINGTON, D. C., ON SATURDAY EVENING, DECEMBER 19, 1908.

JANUARY 23, 1909.

To the Senate and House of Representatives of the Sixtieth Congress of the United States:

Whereas it is declared in the Declaration of Independence that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness; that to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed; and

Whereas our Revolutionary forefathers rightly contended that "taxation without representation is tyranny;" and

Whereas it was truthfully stated by Abraham Lincoln from the steps of the Executive Mansion during the civil war that "we can not have free government without elections;" and

Whereas it is conceded that "in form the present government of the District of Columbia is an absolute autocracy, not legally responsible to the people;" and

Whereas such a form of government is undemocratic, unrepresentative, un-American, and contrary to the fundamental principles in defense of which our brave and liberty-loving ancestors pledged their lives, their fortunes, and their sacred honor: Therefore

Resolved, That it is the sense of this convention that Congress should speedily reestablish a republican form of government in the capital of the Republic, the political heart of the Nation—a government of the people, by the people, and for the people—and respectfully submit the following plan as best suited, in our opinion, to the needs and desires of a majority of the legal residents of the District of Columbia, to wit:

1. In place of three commissioners there shall be a governor, who shall have been a resident of the District of Columbia for not less than four years prior to his election to such office by the qualified voters of said District.

2. There shall be elected by the people five commissioners who shall have resided in the District for not less than three years prior to election to such office, and the President of the United States be authorized to appoint five commissioners, other than those elected by the people, to represent the people of the United States on said board of commissioners; and that the five elected by the people shall be selected from five different sections of the District.

3. The term of office of the governor and commissioners shall be three years.

4. The governor shall exercise all the executive powers and authority now vested by law in the three commissioners and such other authority as Congress may delegate to him. He shall have a vote in case of a tie in the Board of Commissioners. The Board of Commissioners shall have all the legislative power and authority now exercised by the Board of Commissioners and such other legislative authority as Congress may delegate.

5. Inasmuch as the District of Columbia contributes more in taxes in the support of the General Government than a number of the States of the Union, there shall be a delegate in the House of Representatives, who shall have been a resident of the District not less than five years prior to his election to said office.

6. No male person shall be a qualified voter in the District of Columbia who is not 21 years of age, and shall have resided in the said District for not less than one year and in the ward or election district not less than three months prior to the day of election. He shall be able to read and write the English language, or shall have paid taxes on not less than \$500 assessed real or personal property not less than thirty days prior to election day. No person who is a qualified voter in any of the States shall be a voter in the District of Columbia.

7. That all elections in the District shall be held under the secret-ballot system and stringent registration and election laws, with severe penalties for fraudulent registration or voting.

The following committee have been instructed by the citizens' associations aforesaid to present to the Congress the above resolutions as a memorial for the enactment of a law authorizing the proposed plan. Respectfully submitted.

LOUIS M. SHOEMAKER,
Brightwood Citizens' Association.
E. W. OYSTER,
Petworth Citizens' Association.
C. C. LANCASTER,
Citizens' Northwest Suburban Association.
WM. M. POTTER,
East Washington Citizens' Association.
J. WALTER MITCHELL,
Randle Highlands Citizens' Association.

Mr. SCOTT presented the petition of John F. Wanless, of Dilley Mill, W. Va., praying for the enactment of legislation to create a volunteer retired list in the War and Navy departments for the surviving officers of the civil war, which was referred to the Committee on Military Affairs.

Mr. McCUMBER presented a concurrent resolution of the legislature of the State of North Dakota, which was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

STATE OF NORTH DAKOTA,
ELEVENTH LEGISLATIVE ASSEMBLY,
SENATE CHAMBER.

Mr. Rice introduced the following resolution:

"Whereas the whole country, and especially the citizens of the State of North Dakota, wish to honor the memory of Abraham Lincoln; and
"Whereas no more fitting honor could be paid than the purchasing of his birthplace and the proper conducting of the same as a national park; and

"Whereas a bill has been introduced in the House of Representatives of the National Congress known as the 'H. R. bill No. 21848,' asking for a federal appropriation of \$100,000 for the purpose of properly carrying on such work, which was begun by the Lincoln Farm Association; Now, therefore, it is hereby

"Resolved by the senate of the State of North Dakota (the house of representatives concurring), That the United States Senators and Members of the House of Representatives be, and they hereby are, requested to use all honorable means to secure the passage by the Sixtieth Congress of the United States of the Lincoln farm bill, known as 'H. R. bill No. 21848.'"

I hereby certify that the above resolution originated in the senate and was concurred in by the house of the eleventh legislative assembly of the State of North Dakota.

JAMES W. FOLEY, Secretary.

Mr. McCUMBER presented a memorial of sundry citizens of Manvel, N. Dak., remonstrating against the repeal of the duty on grain and other farm products, which was referred to the Committee on Finance.

He also presented a petition of the American Society of Equity, of Hatton, N. Dak., praying for the enactment of legislation providing for the inspection and grading of grain under federal control, which was ordered to lie on the table.

Mr. GAMBLE presented a petition of the Woman's Christian Temperance Union of Mitchell, S. Dak., praying for the enactment of legislation to regulate the interstate transportation of intoxicating liquors, which was referred to the Committee on the Judiciary.

Mr. BURKETT presented a petition of the Commercial Club of Beatrice, Nebr., and a petition of the Commercial Club of McCook, Nebr., praying for the enactment of legislation granting travel pay to railway postal clerks, which were referred to the Committee on Post-Offices and Post-Roads.

Mr. CULLOM presented a petition of the Quincy branch of the Railway Mail Association of the State of Illinois, praying for the enactment of legislation granting travel pay to railway postal clerks, which was referred to the Committee on Post-Offices and Post-Roads.

He also presented a petition of the Farmers' Institute of Carroll County, Ill., praying for the repeal of the revenue law of 1905 exempting the capital stock of certain corporations from taxation, and to compel the capital stock of these corporations to bear their burden of taxation, which was referred to the Committee on Finance.

He also presented a petition of the Fort Worth Freight Bureau, of Fort Worth, Tex., praying for the adoption of certain amendments to the present interstate-commerce law relative to the power vested in the Interstate Commerce Commission to suspend or prevent going into effect advances made by common

carriers upon the complaint of any shipper or shippers whose business may be adversely affected by such change until the carriers shall have justified such an advance, etc., which was referred to the Committee on Interstate Commerce.

Mr. BROWN presented a petition of the Commandery of the State of Nebraska, Military Order of the Loyal Legion of the United States, praying for the enactment of legislation to create a volunteer retired list in the War and Navy departments for the surviving officers of the civil war, which was referred to the Committee on Military Affairs.

He also presented a petition of the Commercial Club of Benson, Nebr., praying for the enactment of legislation granting travel pay to railway postal clerks, which was referred to the Committee on Post-Offices and Post-Roads.

Mr. CURTIS presented a petition of sundry citizens of Maxson, Kans., and a petition of sundry citizens of the State of Kansas, praying for the passage of the so-called "rural parcels-post" bill, which were referred to the Committee on Post-Offices and Post-Roads.

He also presented a memorial of the Chamber of Commerce of Pawhuska, Okla., remonstrating against the enactment of legislation providing for the removal of restrictions from the alienation of the lands of the Osage nation of Indians in that State, which was referred to the Committee on Indian Affairs.

He also presented a memorial of De Soto Division, No. 234, Brotherhood of Locomotive Engineers, of Topeka, Kans., remonstrating against the repeal of the present immigration law, which was referred to the Committee on Immigration.

He also presented a paper to accompany the bill (S. 5758) to restore John F. Lewis to the United States Army with the rank of captain of infantry and place him upon the retired list, which was referred to the Committee on Military Affairs.

Mr. RAYNER presented a petition of sundry citizens of Medford, Md., and a petition of sundry citizens of Hampstead, Md., praying for the passage of the so-called "rural parcels-post" and "postal savings banks" bills, which were referred to the Committee on Post-Offices and Post-Roads.

REPORTS OF COMMITTEES.

Mr. WETMORE, from the Committee on the Library, to whom was referred the bill (S. 6554) for the erection of a monument to the memory of Brig. Gen. James Shields, in St. Mary's Cemetery, Carrollton, Mo., reported it with amendments and submitted a report (No. 846) thereon.

Mr. McCUMBER, from the Committee on Pensions, to whom was referred the bill (S. 7960) to amend an act entitled "An act to increase the pension of widows, minor children, and so forth, of deceased soldiers and sailors of the late civil war, the war with Mexico, the various Indian wars, and so forth, and to grant a pension to certain widows of the deceased soldiers and sailors of the late civil war," reported it without amendment and submitted a report (No. 847) thereon.

Mr. NELSON, from the Committee on Interstate Commerce, to whom was referred the bill (S. 6440) to regulate commerce among the several States or with foreign nations, and to amend the act approved July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," submitted an adverse report (No. 848) thereon and moved that the bill be postponed indefinitely, which was agreed to.

Mr. NELSON. I ask that double the usual number of copies of the report be printed.

The VICE-PRESIDENT. Without objection, it is so ordered.

Mr. ALDRICH, from the Committee on Finance, to whom was referred the bill (H. R. 21129) to provide for refunding stamp taxes paid under the act of June 13, 1898, upon foreign bills of exchange drawn between July 1, 1898, and June 30, 1901, against the value of products or merchandise actually exported to foreign countries, and authorizing rebate of duties on anthracite coal imported into the United States from October 6, 1902, to January 15, 1903, and for other purposes, reported it without amendment.

He also, from the same committee, to whom was referred the bill (H. R. 22884) to impose a tax upon alcoholic compounds coming from Porto Rico, and for other purposes, reported it without amendment.

He also, from the same committee, to whom was referred the bill (S. 8021) to prohibit the importation and use of opium for other than medicinal purposes, reported it with amendments.

Mr. FULTON, from the Committee on Claims, to whom was referred the bill (H. R. 19839) for the relief of W. H. Blurock, reported it without amendment and submitted a report (No. 849) thereon.

Mr. KEAN, from the Committee on Claims, to whom was referred the bill (H. R. 16191) to refund certain moneys paid into the Treasury of the United States through mistake by

Augustus Bannigan, reported it without amendment and submitted a report (No. 853) thereon.

Mr. BURROWS, from the Committee on Finance, to whom were referred the following bills, reported them severally without amendment:

A bill (H. R. 14361) to reimburse the Eastern Salt Company, of Boston, Mass., for certain excess duty;

A bill (H. R. 18744) for the relief of the estate of Mark S. Gorrell; and

A bill (S. 7861) for the relief of B. D. Crocker.

Mr. WARNER, from the Committee on Military Affairs, to whom was referred the bill (S. 2544) for the relief of William Martinson, reported it with an amendment and submitted a report (No. 854) thereon.

Mr. CARTER, from the Committee on the District of Columbia, to whom was referred the amendment submitted by himself on the 8th instant proposing to appropriate \$30,000 for replacing granite or Belgian block with asphalt on Nineteenth street NW, from Pennsylvania avenue to N street, intended to be proposed to the District of Columbia appropriation bill, reported favorably thereon, and moved that it be referred to the Committee on Appropriations and printed, which was agreed to.

COURTS IN TENNESSEE.

Mr. CLARK of Wyoming. I report back from the Committee on the Judiciary without amendment the bill (H. R. 25405) to change and fix the time for holding the circuit and district courts of the United States for the eastern and middle districts of Tennessee. I call the attention of the Senator from Tennessee [Mr. FRAZIER] to the bill. It is identical with a Senate bill now upon the calendar.

Mr. FRAZIER. I ask unanimous consent for the immediate consideration of the bill.

The Secretary read the bill; and, there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. FRAZIER. I move that the bill (S. 8235) to change and fix the time for holding the circuit and district courts of the United States for the eastern and middle districts of Tennessee be indefinitely postponed.

The motion was agreed to.

MATILDA J. BLAKE.

Mr. KEAN, from the Committee to Audit and Control the Contingent Expenses of the Senate, to whom was referred Senate resolution 255, submitted by Mr. CARTER on the 18th instant, reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay to Matilda J. Blake, widow of John C. Blake, late a messenger of the United States Senate, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

OREGON VOLUNTEERS IN INDIAN WAR.

Mr. FULTON. I am directed by the Committee on Claims, to whom was referred the bill (H. R. 19859) to provide for the payment of certain volunteers who rendered service to the Territory of Oregon in the Cayuse Indian war of 1847 and 1848, to report it favorably without amendment, and I submit a report (No. 850) thereon. It is a short bill, and I ask for its present consideration.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

STATES OF TENNESSEE AND ARKANSAS.

Mr. CLARKE of Arkansas. I report back without amendment from the Committee on the Judiciary the joint resolution (S. R. 118) to enable the States of Tennessee and Arkansas to agree upon a boundary line and to determine the jurisdiction of crimes committed on the Mississippi River and adjacent territory. I ask for the present consideration of the joint resolution.

The Secretary read the joint resolution; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ASSAY OFFICE AT LOS ANGELES, CAL.

Mr. TELLER. I am directed by the Committee on Finance, to whom was referred the bill (S. 5727) to establish an assay office at Los Angeles, State of California, to report it favorably with an amendment.

Mr. FLINT. I ask unanimous consent for the present consideration of the bill.

The Secretary read the bill; and, there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The amendment was, at the end of line 12, after the word "meliter," to insert "assayer, at a salary of \$1,800 per annum," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and required to establish an assay office of the United States at Los Angeles, in the State of California, said assay office to be conducted under the provisions of the act entitled "An act revising and amending the laws relating to the mints and assay offices and the coinage of the United States," approved February 12, 1873; that the officers of the assay office shall be an assayer in charge, at a salary of \$2,500 per annum, who shall also perform the duties of meliter; assayer, at a salary of \$1,800 per annum; chief clerk, at a salary of \$1,500 per annum; and the Secretary of the Treasury is hereby authorized to rent a suitable building for the use of said assay office, and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$20,000 for salary of assayer in charge, chief clerk, and wages of workmen, rent, and contingent expenses.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REFUND OF STAMP TAXES.

Mr. RAYNER. I ask for the present consideration of the bill (H. R. 21129) to provide for refunding stamp taxes paid under the act of June 13, 1898, upon foreign bills of exchange drawn between July 1, 1898, and June 30, 1901, against the value of products or merchandise actually exported to foreign countries and authorizing rebate of duties on anthracite coal imported into the United States from October 6, 1902, to January 15, 1903, and for other purposes. The bill has just been reported unanimously from the Committee on Finance.

The VICE-PRESIDENT. The bill will be read for the information of the Senate.

The Secretary read the bill.

Mr. LODGE. I merely want to ask a question of the Senator from Maryland. The bill covers all the anthracite-coal claims at all the ports?

Mr. RAYNER. I think so.

Mr. LODGE. The bill is general, and covers all claims and all ports?

Mr. RAYNER. I can not answer that it covers all claims; but it covers all that have been, I think, presented to the committee.

Mr. LODGE. I mean it is not confined to entries at a single port?

Mr. RAYNER. It is not confined to any port, I understand. It is for the refund of a tax that has been declared unconstitutional by the Supreme Court. The Senator will recollect that the Supreme Court held that the tax was unconstitutional.

The VICE-PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

GEORGE W. BLACK AND OTHERS.

Mr. KITTREDGE. I am directed by the Committee on the Judiciary, to whom was referred the bill (H. R. 4166) to relieve George W. Black and J. N. Wilson from a certain judgment in favor of the United States and to relieve George W. Black, J. N. Wilson, and W. M. Newell of a certain judgment in favor of the United States, to report it favorably without amendment, and I submit a report (No. 851) thereon.

Mr. BANKHEAD. That is a local matter, and I ask unanimous consent for the present consideration of the bill.

The Secretary read the bill, and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RESTRICTION ON OPIUM TRADE.

Mr. LODGE. I ask unanimous consent for the present consideration of the bill (S. 8021) to prohibit the importation and use of opium for other than medicinal purposes, which was reported this morning by the Committee on Finance. The international congress is now meeting at Shanghai, and it is very important that the bill should be promptly passed.

The VICE-PRESIDENT. The bill will be read for the information of the Senate.

The Secretary read the bill.

The VICE-PRESIDENT. Is there objection to the present consideration of the bill which has just been read?

Mr. BAILEY. Mr. President, the bill comes from a committee of which I have the honor to be a member, and while I thoroughly sympathize with the object of it, I have grave doubt that it is exactly the kind of legislation Congress is competent to enact. It is upon its face an effort to suppress the practice of smoking opium and that is clearly a police regulation. There is, however, a line of argument upon which the bill can probably be defended, and that is upon the ground that in the regulation of commerce we have a right to admit an article which is in a merchantable condition and we have a right to exclude an article which we do not consider a merchantable one.

My opinion, however, is that the purpose of the measure is to attempt by the Federal Government through the custom-houses to regulate and suppress a bad habit among the people. I am not going to object to the unanimous consent which has been requested, and it is probably true that if I had further time to examine it I might not object to the bill. As the matter stands, however, I think it so doubtful that while I will make no objection to its present consideration I intend to vote "no," so as to be on the safe side.

Mr. BEVERIDGE. May I ask the Senator a question?

The VICE-PRESIDENT. Does the Senator from Texas yield to the Senator from Indiana?

Mr. BAILEY. I do.

Mr. BEVERIDGE. I understand the Senator's position to be that if in the judgment of Congress an article is merchantable, then it would be unconstitutional to exclude it from interstate commerce; but if in the judgment of Congress it is not merchantable, then it would be constitutional to exclude it from commerce. Is that correct?

Mr. BAILEY. Mr. President, that seems to be the only way to reconcile the practice of the Government and some of the decisions of the courts. Clearly, the Federal Government has no general police powers, although if we are to proceed much further along the line suggested by some Senators, in the way of a child-labor law and other enactments of that kind, we must finally reach a point when we assert and probably establish a general police power in the Federal Government.

I never have voted for a bill which seemed to me to recognize the existence of such a power in the General Government, and while I do not say that this bill can not be defended without assuming or asserting that power, I think it is at least doubtful, and I am going to solve the doubt on the safe side.

Mr. BEVERIDGE. Let me point out to the Senator where the logic of his first statement leads him. If, in the judgment of Congress, an article to-day is not merchantable we might constitutionally exclude it from interstate commerce; but, if to-morrow, on learning more about the article we thought it is merchantable, then we could not constitutionally exclude it from interstate commerce. In other words, reduced to its last analysis, whether it is constitutional for us to exclude an article from interstate commerce depends entirely upon our opinion of the article at different times and not of the Constitution.

Mr. BAILEY. The Constitution has to be applied and Senators are assumed to have sense enough to know how to apply it. An article which to-day might be deemed deleterious and unmerchantable might, by the progress of science and invention, be demonstrated next year to be useful for many purposes.

I want to say this, and I think I have said it before on the floor of the Senate, that except for the decision in the lottery case I would deny that the right to regulate commerce included the power to deny the right to engage in commerce where the commerce was with respect to a merchantable article.

Now, the other view is—and I think it is entirely tenable and sound—that, in pursuance of the power to regulate commerce, Congress can say that a given article because of its character might interfere with the commerce of the country and may be constitutionally excluded. For illustration, Congress can exclude diseased meat from state and foreign commerce because the diseased meat is undoubtedly a serious interference in the commerce of merchantable meat. Upon that theory I concede that Congress has ample power to protect commerce in merchantable articles and to exclude from the channels of commerce an article not merchantable or an article that would taint those articles that are merchantable. I believe that is generally recognized as true.

Mr. BEVERIDGE rose.

Mr. BAILEY. Permit me to say here and now—of course I understand what the Senator from Indiana has in his mind—

Mr. BEVERIDGE. No; the Senator must not attribute to me anything I have in mind. The Senator has laid down a very broad principle of legislative action; and I thought it was so well laid down that it was worth while to have the Senator repeat it by having his attention called to it.

For example, if the Senator will permit me, the Senator said in his last remarks that the progress of science in a year might show that a certain article could or could not be excluded from interstate commerce under our constitutional power. Time might demonstrate that we might do this year precisely the reverse of what we did last year, and our action both times be equally constitutional. So, then, reduced to its last analysis the Senator's position is, that the progress of science or any other cause may so influence our judgment on an article as to make a certain act upon our part constitutional, which, with less scientific or other knowledge of the article, would be unconstitutional.

Mr. BAILEY. Mr. President, I not only subscribe to that doctrine, but I think that a given act passed for a given purpose might be entirely constitutional when the same act passed for a different purpose might be entirely unconstitutional. A familiar illustration which is found in the law books comes to the mind of every Senator. While it has been sometimes said to be a dictum and not a question decided in that case, yet it announced such a wholesome governmental principle that it has been universally accepted. It is that a law levying a tax for supporting the Government would be constitutional while precisely the same law, levying the same rate of taxation, the proceeds to be applied not to support the Government but to the benefit of an individual, would be robbery, if I might borrow the famous expression of Judge Miller, none the less though done under the form of law.

Another case arises in my mind. Suppose Congress believed that clothing made in a certain way was unwholesome, and that it was calculated to communicate disease; that it was calculated to and would therefore injuriously affect commerce in clothing. Congress might have under the rule the power to exclude that clothing from interstate and foreign commerce. But if, instead of wanting to protect commerce, Congress wanted to protect the children who made those clothes, and sought not to protect the commerce, but to protect the health, the morals, or the strength of children, then Congress would have no power to pass that identical law for that purpose, because the preservation and protection of the health and morals and strength of children is a matter resting with the State and not with the Federal Government.

Mr. BEVERIDGE. Will the Senator permit me?

Mr. BAILEY. Certainly.

Mr. BEVERIDGE. The Senator cited the most conspicuous illustration in the lottery case. That law was passed for the avowed purpose of the preservation of morals. Congress there asserted and the Supreme Court upheld our power to do a thing which up to that moment had been considered exclusively the province of the State—to protect the morals of its citizens.

The protection of morals was one of the reasons given for the decision. Yet I believe that in the decision itself it was pointed out that lotteries had not theretofore in the history of this country been regarded with disfavor. So, thirty years before the lottery law was passed and this decision was rendered it would not have been constitutional to exclude lottery tickets from interstate commerce; but by reason of the change in the public sentiment as to the effect of lottery tickets upon the morals, it did, in the judgment of the Supreme Court, become constitutional to exclude lottery tickets.

Mr. BAILEY. I think if the Senator from Indiana will examine the lottery case he will find that the court did not predicate their decision in that case upon the question of morals. They finally said that a lottery ticket was a subject of commerce, and as a subject of commerce was subject to regulation by Congress.

However, I think, with all deference to the Supreme Court, that the lottery case is not entitled to very high consideration. That decision was made by a vote of 5 to 4. The law was of such doubtful constitutionality that it was argued and reargued the third time and a decision on it deferred for months. Evidently some one member of the court concurred very reluctantly in the decision. I have not examined it for some time, but as I recall that case it was argued on three different occasions. I think there was the original argument and then another and then a third argument. I am almost certain that is true. Finally the court decided by a vote of 5 to 4, and it seems that the only way they could obtain the fifth vote was by agreeing to incorporate in the decision a statement that they meant to decide no more in this case than, and so forth.

Mr. BEVERIDGE. May I ask the Senator a question?

Mr. BAILEY. Certainly. I wish to say that in making this statement, of course, I do not make it as a matter within my knowledge, and I only infer that this was the condition of the court by the circumstances surrounding the decision.

Mr. BEVERIDGE. Does the Senator criticize the decision of the Supreme Court upon the ground that only a majority joined in the prevailing decision? If he does, I ask him whether he applies that to every case that has been decided by a vote of 5 to 4?

Mr. BAILEY. I do not criticize the decision, but undoubtedly the authority of any decision which is made by a vote of 5 to 4 can not be very great, because I have seen the time I would rather have the opinion of the four judges who dissented, without making any invidious distinctions, than to have the opinion of the five judges who concurred.

Mr. BEVERIDGE. Of course—when we agree with the minority opinion, or rather, when the minority agrees with our opinion.

Mr. BAILEY. Although it is not germane right here, I think there is no more unfortunate practice in this country than that of dissenting opinions in the Supreme Court. For the last ten or fifteen years we have accustomed ourselves in almost every great opinion to expect the decision of that court to be rendered by a vote of 5 to 4. That line of division has run through practically every important case in the last fifteen years, and it is a matter of sincere regret to me that the court can not reach a conclusion and announce it without the necessity of these dissenting opinions.

Mr. BEVERIDGE. I am very glad, Mr. President, that the Senator has uttered the last sentence he did, that this had run practically through every decision—hardly that, but it has run through many decisions in the last fifteen years—because I was going to call the Senator's attention to the peril that he or we or anybody else runs in questioning the law as laid down by the Supreme Court by a majority opinion. It is not only true in the lottery case, but within the last four or five years in many very important cases. The Senator cited the history of the lottery case with substantial correctness, I think, but he might have found an even more important illustration in the legal-tender cases, where there was reversal by the Supreme Court of its first decision, and by only a majority vote; yet neither the Senator nor anybody else would now question that the final opinion in the legal-tender case is the law of the land. We can not weaken the law of the land by saying: "Oh, well, it was sustained by a vote of only 5 to 4."

Mr. BAILEY. I greatly regret that was not accepted as true with respect to the tax on incomes. The law as it now stands, of course, binds the citizen; and yet the last decision on the income tax reversed the uniform and unbroken decisions from the foundation of the Government. As to the decision of the legal-tender case, I have no doubt in my mind that the original decision was the correct interpretation of the Constitution, but I accept the later decision, because for more than thirty years it has been followed by the court, acquiesced in by the legislative and executive departments of the Government, and accepted by all the people.

I am aware that acquiescence can not change the meaning of a written instrument, but I am also aware that we follow a safe rule laid down in the early days of the Republic that a given construction of the Constitution, whether rendered originally by the court or not, acquiesced in and acted upon by the various departments of the Government, and by the people at large, must finally be binding upon the conscience and the judgment of legislators and of judges.

Mr. LODGE. Mr. President—

The VICE-PRESIDENT. Is there objection to the present consideration of the bill?

Mr. MONEY. Mr. President—

The VICE-PRESIDENT. The Senator from Massachusetts.

Mr. LODGE. I only wish to say a word in regard to the bill. It, so far as I understand it, has no relation to interstate commerce at all. It is a tariff prohibition against the introduction of opium—opium prepared for smoking purposes. It admits all opium and its derivatives for medicinal purposes, but excludes smoking opium. Such prohibitions in the tariff, I think, have existed from the beginning of the Government; for instance, the prohibition of the introduction of obscene books. I do not care, however, to go into that question, but merely state to the Senate why I press for action on the bill.

Mr. BAILEY. Mr. President—

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Texas?

Mr. LODGE. If the Senator will allow me a moment, then I will yield.

There is a meeting of an international commission in regard to this subject now in progress at Shanghai. We have American commissioners there. I think I am correct in saying that every important nation, except the United States, has adopted

legislation of the character of this bill as a measure of hygiene and protection.

Mr. BAILEY. That is the point.

Mr. LODGE. That, of course, is the real reason.

Mr. BAILEY. Then, Mr. President, if it is a matter of health, it is not within the jurisdiction of the Federal Government, and I must object to the consideration of the bill.

Mr. LODGE. I was speaking of the views of other nations.

Mr. BAILEY. But I understood the Senator to say—

Mr. LODGE. They think it is good to exclude the smoking of opium.

Mr. BAILEY. I think almost every State—

Mr. LODGE. And I presume they have not supposed that would stand in the way.

Mr. BAILEY. I think probably every State in the Union has a law forbidding the smoking of opium. If they have not, I am sure they ought to have.

Mr. LODGE. This, as I understand, stands on the same ground as the prohibition of the introduction of obscene publications, which has been in the tariff for years. I will not attempt to explain it, but it has been there; and there is also a prohibition against the introduction of certain kinds of instruments. Various prohibitions of importation have been in every tariff law from the beginning. I do not want to go into a discussion of the justice of those prohibitions, but I wish to read a letter which I have just received from the Secretary of State. It reads as follows:

DEPARTMENT OF STATE,
Washington, January 25, 1909.

The Hon. HENRY CABOT LODGE,
United States Senate.

SIR: I have the honor to quote herewith, for your information, the following telegram just received from the chairman of the American Opium Commission at Shanghai:

"American commissioners assembled. Work well in hand, and organized on economical basis. Prospects favorable. Passage of opium bill before February 1 of the utmost importance."

I have the honor to be, sir,

Your obedient servant,

E. ROOT.

The department is extremely anxious that this legislation shall be passed as soon as possible. That was my reason for asking for unanimous consent for the consideration of the bill this morning.

Mr. BAILEY. Mr. President, I simply want to say to the Senator from Massachusetts that the fact that this is a part of tariff legislation could not alter the power of the Federal Government with respect to it; in other words, if it is a question that the Federal Government has the power to deal with, it may deal with it in the way of a tax or in the way of regulation; but the Government has no right to regulate through a tax a matter which it has no right to regulate directly. To levy a tax for the purpose of regulation under the guise of a revenue power is simply to abuse the taxing power of the Federal Government.

Mr. President, the statement of the Senator from Massachusetts convinces me that I am right in protesting against this bill. The nations of the world, which have no government like ours—no divisions and subdivisions which must be respected—have called a conference, and they want to regulate the health and morals of their people. They deal in the main directly with the citizens, whose health and morals are subject to the control of the governments whose representatives are meeting as the Senator from Massachusetts has described. They overlook—the Senator from Massachusetts does not overlook, because he understands it perfectly well—that in this Government of ours we have divisions and departments, and that matters relating to the health and morals of the community are committed exclusively to the States, and in no wise are subject to the control of the Federal Government. Therefore, if it is a matter of health and morals that these nations are trying to improve and protect, they have found the wrong way to do it, so far as this Government is concerned, and I believe that the whole purpose of this bill is to affect, through a federal agency, a matter of health and morals. Still, I am not so sure about it as to object to consideration; I will vote against it with every confidence that I am voting right.

Mr. LODGE. Mr. President, my only proposition is that the National Government has the sole right to impose duties on imports—to prohibit, to exclude, or to admit.

Mr. BAILEY. It has that right for certain purposes; it can levy a tax to raise revenue or to regulate commerce; but it has no right to levy a tax for the purpose of regulating our health or our morals.

Mr. LODGE. I am very willing, Mr. President, to put this measure on the ground of the regulation of commerce.

The VICE-PRESIDENT. Is there objection to the present consideration of the bill? [A pause.] The Chair hears none, and the bill is before the Senate as in Committee of the Whole.

The Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. HEYBURN. Mr. President, I do not rise to especially oppose this bill, but to call attention to one or two features of it. I have had frequent occasion to come in contact with those who produce opium, and I would suggest that as a prohibition against the importing of opium this bill should be amended. The bulb of the poppy plant which produces opium is not opium, nor is there anything in that bulb that afterwards becomes opium.

Mr. BAILEY. Will the Senator from Idaho permit me to ask him a question?

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Texas?

Mr. HEYBURN. Yes.

Mr. BAILEY. I had supposed, Mr. President, that this bill originated where the Constitution requires revenue bills to originate—in the House of Representatives—but this bill seems to have originated in the Senate, and obviously it is not a revenue bill, or it could not have originated here.

Mr. HEYBURN. I shall not consider the bill from the standpoint of a revenue bill, but from the standpoint of its sufficiency to prevent the importation of opium. I take it that every man who has the interest of the people at heart is opposed to the importation of opium for smoking purposes. This bill should be amended so as to cover the raw material from which opium is made, and which is not opium, and would not come within the prohibition of this bill.

Mr. CULBERSON. Mr. President—

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Texas?

Mr. HEYBURN. I do.

Mr. CULBERSON. Mr. President, I rise to inquire if unanimous consent has been given for the consideration of this bill?

Mr. LODGE. It has been given.

The VICE-PRESIDENT. Unanimous consent has been given.

Mr. HEYBURN. Unanimous consent has been given, otherwise I should not have spoken.

Mr. LODGE. The bill is before the Senate.

Mr. FULTON. Mr. President—

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Oregon?

Mr. LODGE. The bill, I repeat, is before the Senate.

Mr. FULTON. It is yet subject, however, to objection.

Mr. LODGE. I think not, Mr. President.

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Massachusetts?

Mr. LODGE. I rise to a question of order, Mr. President. I understood the Chair to ask for objection, to pause, and to say, "No objection being made, the bill is now before the Senate."

The VICE-PRESIDENT. The Chair paused for objection, and no objection being made, the Chair announced that no objection was made, and that the bill was before the Senate as in Committee of the Whole.

Mr. FULTON. I ask the Chair if the bill is not still open to objection to its consideration any time before it is passed? If it is not, then I make the point of order that in the consideration of measures in the morning hour no Senator can occupy more than five minutes in discussing a measure. I ordinarily would not make the point of order, but there is business that is waiting here that ought not to be delayed by such discussions as this.

Mr. HEYBURN. Mr. President, I am perfectly aware of the rule to which the Senator from Oregon [Mr. FULTON] refers, and I shall not transgress it. I took the floor, as unanimous consent had been given, to call attention to the fact that this bill should include the poppy bulbs; "poppy heads," as they are called, because it is from those heads that opium is made. It is through the means of the importation of those heads that most of the opium comes. The Senator in charge of the bill, I think, will realize the necessity for that, and in line 4 or 5, of section 1, will insert the words "poppy heads."

Mr. ALDRICH. Mr. President, the word "opium" has been used in the statutes from the beginning, and its meaning is clearly understood. If the Senator will read the section in the present law, he will find that the word "opium" has always been used.

Mr. HEYBURN. There is the reason, Mr. President, that poppy growing in this country is assuming such large importance. I know of one man who raised 1,200 pounds of poppy seed for planting next year.

Mr. BEVERIDGE. I suggest to the Senator in charge of the bill that he accept the amendment.

Mr. HEYBURN. It so happens that this is in the part of the country in which I live, and so I have occasion to know

something about it. So you will not succeed in stopping the opium trade under the provisions of this bill to the extent that you hope to do, because they are bringing these poppy heads into the country and making the opium here; and they are not within the language of the prohibition.

Mr. MONEY. Mr. President, I want to say just a word. I am a member of the committee that reported this measure, and it was reported with my approval. I would dislike very much for the Senate to vote for this measure or against it—I am not opposing it by the by—with any idea that any Supreme Court decision whatever, whether that decision be on the part of a mere majority of the court or a unanimous decision, should have any controlling influence upon the mind of any man sitting here in doing what he conceives to be his duty under his oath toward the country in the enactment of legislation.

The Supreme Court undertakes to expound in their relation to the Constitution the laws that are passed. It decides whether or not they are constitutional, not whether they are wise; and while any decision of any great court will always have a persuasive power upon the mind of any man sitting here or elsewhere, and while we as citizens are just as much bound as any other persons to recognize the force and validity of the decisions of the Supreme Court, yet they are not to be considered as guiding or directing us when we make up our minds how we shall vote upon any measure whatever.

I think the lottery case was not clearly understood. In the first place, it was argued that we could deny the lottery company the use of the mails, not that the United States had any power to control lotteries, but that the lottery should not have the power to use the United States as an instrumentality for conducting its business; that is, that the United States should not be compelled to carry in its mails at public expense what was considered a nefarious business. That was the first argument.

The second argument was that, under its power to regulate interstate commerce, the Federal Government could declare a lottery ticket transported from State to State an article of interstate commerce and forbid its entering into such commerce. That was the reason upon which that decision was based; and, as was stated by the Senator from Texas [Mr. BAILEY], it was by a divided court, after as many as three or four hearings.

It is a question of morality, that can be determined almost according to the weather. In weather like that which we have recently had, if a man was of a pessimistic nature, he might retire to his chamber and there turn on the gas or blow his brains out. In good weather he does not do anything of the sort. If he has a lottery ticket in his pocket, he will never blow out his brains, because he wants to see what is going to turn out when the drawing comes.

The time has been in this country when it was considered not at all immoral to draw lotteries. The Congress of the United States gave Thomas Jefferson the right by a law which it passed to recoup his broken fortune by drawing a lottery, which he never did. I have had in my possession tickets of the Alexandria lottery at the time George Washington was superintendent and director of that lottery. I recollect the legislature of Kentucky gave to five trustees of the Lutheran Church at Frankfort the right to draw a lottery to build a church. They did draw the lottery and did build the church, and it stands to-day as a place of worship. I recollect that more recently they gave certain gentlemen in the city of Louisville the right to draw a lottery to build a great public library in Louisville. That was done.

But the morals of the times have changed. One of the greatest of the German poets, Heine, says that morals are the customs of the country, and, except in some radical sense, that is true. Of course there are morals that run upon principle that can not be upset by custom or anything else; but, in the main, morals are now the customs of the country. One of the greatest masters of the English language said once that taste was morality; that it was not a mere indication or evidence of morality, but taste was morality itself, and if you would tell him what a person's taste was he would tell you exactly what his morals were.

Now, as to this bill, I myself think that there is no police power in the General Government of any character whatever. There can not be, from the very nature of the case. It is one of that vast mass of residuary powers left by the Constitution inherent, inalienable in the States themselves, and it has been so held in every decision of the Supreme Court that I have ever read. That is still true; but we travel, in this bill, upon extremely narrow lines, which I hold, however, to be sufficient. We can declare what is not merchantable and what is merchantable; and, under the power to regulate commerce, we can say what can be imported and what can not be imported. We could absolutely forbid some sorts of commerce from entering this country at all; and in this case, in my opinion, we clearly have

the right, although on a very narrow line, I must say, to take the action proposed by the bill. Whatever the ulterior object may be, the object on the surface is the one that we will consider, and that is, to forbid the importation into this country of an article which is not merchantable according to our way of thinking. I think that is quite sufficient, and I hope that this bill will pass without any further delay.

The VICE-PRESIDENT. The amendments reported by the committee will be stated.

The SECRETARY. In section 1, page 1, line 9, after the words "Secretary of," it is proposed to strike out "Agriculture" and insert "the Treasury;" and in line 10, after the words "authorized to," to strike out "establish" and insert "prescribe;" so as to make the section read:

That after the 1st day of April, 1900, it shall be unlawful to import into the United States opium in any form or any preparation or derivative thereof: *Provided*, That opium and preparations and derivatives thereof, other than smoking opium or opium prepared for smoking, may be imported for medicinal purposes only, under regulations which the Secretary of the Treasury is hereby authorized to prescribe.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FRANCES F. CLEVELAND AND MARY LORD HARRISON.

Mr. CARTER. I am directed by the Committee on Post-Offices and Post-Roads, to whom was referred the bill (H. R. 25019) granting a franking privilege to Frances F. Cleveland and Mary Lord Harrison, to report it without amendment, and I submit a report (No. 852) thereon. I ask unanimous consent for the present consideration of the bill.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Montana?

Mr. CULBERSON. Mr. President, in view of the notice given by the Senator from Arkansas [Mr. DAVIS], I object to the present consideration of the measure.

The VICE-PRESIDENT. Objection is made. The bill will go to the calendar.

THE CUSTOMS ADMINISTRATIVE LAWS.

Mr. BURROWS. From the Committee on Finance, I report the hearings before a subcommittee of that committee in relation to the customs administrative laws, including classification. I ask that the hearings be printed as a document and also that 500 additional copies be printed for the use of the Committee on Finance.

The VICE-PRESIDENT. The Senator from Michigan reports certain hearings held before a subcommittee of the Committee on Finance, and asks that they be printed as a document (S. Doc. No. 683), and that 500 additional copies be printed for the use of the Committee on Finance. Without objection, it is so ordered.

AFFAIRS OF INDIANS IN WISCONSIN.

Mr. CLAPP, from the Committee on Indian Affairs, reported the following resolution (S. Res. 263), and moved that it be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, which was agreed to:

Resolved, That the Committee on Indian Affairs be, and it hereby is, authorized to investigate the affairs of all the Indians of Wisconsin. Said committee is authorized to send for persons and papers, to administer oaths, and to sit during the session of Congress or during recess, at Washington or elsewhere, and to have the testimony taken printed; the expense of such investigation to be paid out of the contingent fund of the Senate; and be it further

Resolved, That pending the final report of such committee and action thereon by Congress the Secretary of the Interior be requested to suspend the approval of any roll, the making of allotments, and the making of timber contracts for Indian allottees in the State of Wisconsin.

BILLS INTRODUCED.

Mr. FLINT introduced a bill (S. 8804) to provide for the utilization and disposition of certain phosphate deposits, which was read twice by its title and referred to the Committee on Public Lands.

Mr. CURTIS introduced the following bills, which were severally read twice by their titles and referred to the Committee on Pensions:

A bill (S. 8805) granting an increase of pension to Charles B. Worden; and

A bill (S. 8806) granting a pension to Grace Wilkinson.

Mr. CURTIS introduced the following bills, which were severally read twice by their titles and, with the accompanying papers, referred to the Committee on Pensions:

A bill (S. 8807) granting a pension to Daniel Jarboe; and

A bill (S. 8808) granting an increase of pension to William L. Allison.

Mr. McCUMBER introduced a bill (S. 8809) granting an increase of pension to Margaret E. Colby, which was read twice by its title and referred to the Committee on Pensions.

He also introduced the following bills, which were severally read twice by their titles and, with the accompanying papers, referred to the Committee on Pensions:

A bill (S. 8810) granting an increase of pension to John E. Rogers;

A bill (S. 8811) granting an increase of pension to Charles H. Wells; and

A bill (S. 8812) granting an increase of pension to Levi Sisco.

Mr. TALIAFERRO introduced a bill (S. 8813) for the relief of the heirs of Aaron W. Da Costa, which was read twice by its title and referred to the Committee on Claims.

He also introduced a bill (S. 8814) granting a pension to James A. Thomas, which was read twice by its title and, with the accompanying paper, referred to the Committee on Pensions.

Mr. RAYNER introduced a bill (S. 8815) for the relief of the heirs and legal representatives of John B. Hays, which was read twice by its title and referred to the Committee on Claims.

He also introduced the following bills, which were severally read twice by their titles and, with the accompanying papers, referred to the Committee on Claims:

A bill (S. 8816) for the relief of the heirs or legal representatives of Frederick Wyand, deceased;

A bill (S. 8817) for the relief of the trustees and consistory of Mount Vernon Reformed Church of Keedysville, Md.; and

A bill (S. 8818) for the relief of the heirs and legal representatives of Michael J. Brown.

Mr. GALLINGER introduced a bill (S. 8819) to amend an act entitled "An act to establish agricultural stations in connection with the colleges established in the several States under the provisions of an act approved July 2, 1862, and the acts supplementary thereto," which was read twice by its title and, with the accompanying paper, referred to the Committee on Agriculture and Forestry.

He also introduced a bill (S. 8820) regulating the purchase, sale, loan, exchange, gift, borrowing or receiving deadly or dangerous weapons in the District of Columbia, which was read twice by its title and, with the accompanying papers, referred to the Committee on the District of Columbia.

Mr. CULLOM introduced a bill (S. 8821) to extend the time for the completion of the Alaska Central Railway, and for other purposes, which was read twice by its title and referred to the Committee on Territories.

Mr. HEYBURN introduced a bill (S. 8822) providing for the relinquishment by the United States of certain lands to the county of Kootenai, in the State of Idaho, which was read twice by its title and, with the accompanying paper, referred to the Committee on Public Lands.

He also introduced a bill (S. 8823) granting a pension to Emma Felch, which was read twice by its title and referred to the Committee on Pensions.

Mr. CRANE introduced a bill (S. 8824) for the relief of Charles E. Currier, which was read twice by its title and, with the accompanying papers, referred to the Committee on Claims.

Mr. KEAN introduced a bill (S. 8825) providing for the repair and rebuilding of the road from Harrisonville, N. J., to the post at Fort Mott, N. J., and the national cemetery at Finns Point, New Jersey, which was read twice by its title and referred to the Committee on Military Affairs.

Mr. LODGE introduced a bill (S. 8826) granting an increase of pension to Ferdinand C. Porée, which was read twice by its title and, with the accompanying papers, referred to the Committee on Pensions.

He also introduced a bill (S. 8827) granting a pension to Mary A. Newhall, which was read twice by its title and, with the accompanying papers, referred to the Committee on Pensions.

Mr. CLARK of Wyoming introduced a bill (S. 8828) granting an increase of pension to Sylvia Housiaux, which was read twice by its title and referred to the Committee on Pensions.

Mr. WETMORE introduced a bill (S. 8829) granting an increase of pension to James McDonald, which was read twice by its title and, with the accompanying paper, referred to the Committee on Pensions.

Mr. WARNER (for Mr. STONE) introduced a bill (S. 8830) granting an increase of pension to Carroll B. Beasley, which was read twice by its title and, with the accompanying papers, referred to the Committee on Pensions.

He also (for Mr. STONE) introduced a bill (S. 8831) granting an increase of pension to Samuel M. McAnally, which was read

twice by its title and, with the accompanying papers, referred to the Committee on Pensions.

He also (for Mr. STONE) introduced a bill (S. 8832) granting an increase of pension to William Minix, which was read twice by its title and, with the accompanying papers, referred to the Committee on Pensions.

He also (for Mr. STONE) introduced a bill (S. 8833) granting an increase of pension to William Hill Grafton, which was read twice by its title and referred to the Committee on Pensions.

Mr. GAMBLE introduced a bill (S. 8834) to amend an act approved February 24, 1905, for the protection of persons furnishing labor, materials, plant, and supplies for the construction of public works, which was read twice by its title and referred to the Committee on Irrigation and Reclamation of Arid Lands.

Mr. BANKHEAD introduced a bill (S. 8835) to provide a site and erect a public building at Jasper, Ala., which was read twice by its title and referred to the Committee on Public Buildings and Grounds.

He also introduced the following bills, which were severally read twice by their titles and referred to the Committee on Claims:

A bill (S. 8836) for the relief of M. G. Jetton, J. P. Jetton, D. M. Jetton, B. H. Jetton, and M. G. Williams, heirs at law of Mitchell Jetton, deceased; and

A bill (S. 8837) to carry out the findings of the Court of Claims in the case of James A. Paulk.

Mr. OWEN introduced a bill (S. 8838) for the establishment and maintenance of experimental farms and horticultural stations in each congressional district, where practicable, in the States and Territories west of the Mississippi River, and for other purposes, which was read twice by its title and referred to the Committee on Agriculture and Forestry.

He also introduced a bill (S. 8839) for the removal of restrictions from the third selection or allotment of lands selected by William J. Scott, a minor member of the Osage tribe of Indians, and for other purposes, which was read twice by its title and referred to the Committee on Indian Affairs.

Mr. CULBERSON introduced a bill (S. 8840) for the relief of Davis W. Hatch, which was read twice by its title and referred to the Committee on Claims.

Mr. BULKELEY (by request) introduced a bill (S. 8841) for the relief of Josephine F. Violland, which was read twice by its title and, with the accompanying papers, referred to the Committee on Claims.

Mr. du PONT introduced a bill (S. 8842) granting a pension to Joseph Rigby, which was read twice by its title and referred to the Committee on Pensions.

Mr. MONEY introduced the following bills, which were severally read twice by their titles and, with the accompanying papers, referred to the Committee on Claims:

A bill (S. 8843) for the relief of Abbie P. Anderson and the heirs or estate of William A. Watkins, deceased;

A bill (S. 8844) for relief of the heirs or estate of Cornelius C. Cunningham, deceased, and others; and

A bill (S. 8845) for the relief of the heirs or estate of George W. McCabe, deceased, and others.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. WARNER submitted an amendment proposing to appropriate \$250 to pay William B. Turner for preparing the index to the final report of the Board of Lady Managers to the St. Louis Exposition, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. DICK submitted an amendment relative to the leave pay of naval constructors, assistant naval constructors, civil engineers, assistant civil engineers, etc., in the navy, intended to be proposed by him to the naval appropriation bill, which was referred to the Committee on Naval Affairs and ordered to be printed.

Mr. CARTER submitted an amendment proposing to appropriate \$324 to pay M. F. Mann for services rendered as custodian of the Fort Keogh abandoned military reservation, etc., intended to be proposed by him to the general deficiency appropriation bill, which was ordered to be printed and, with the accompanying paper, referred to the Committee on Appropriations.

Mr. LODGE submitted an amendment authorizing the President to assign any regularly appointed secretary of embassy or legation to service in the Department of State without change of salary for a period not to exceed two years in any one case, etc., intended to be proposed by him to the diplomatic and consular appropriation bill, which was referred to the Committee on Foreign Relations and ordered to be printed.

He also submitted an amendment authorizing the President to assign any regularly appointed consul of classes 7 and 8 to service in the Department of State, without change of salary, for a period not to exceed two years in any one case, etc., intended to be proposed by him to the diplomatic and consular appropriation bill, which was referred to the Committee on Foreign Relations and ordered to be printed.

AMENDMENT TO POSTAL SAVINGS BANKS BILL.

Mr. SIMMONS submitted an amendment intended to be proposed by him to the bill (S. 6484) to establish postal savings banks for depositing savings at interest with the security of the Government for repayment thereof, and for other purposes, which was ordered to lie on the table and be printed.

IMPROVEMENT OF POLSON BAY, MONTANA.

Mr. CARTER submitted the following concurrent resolution (S. C. Res. 79) which, with the accompanying paper, was referred to the Committee on Commerce:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of War is hereby authorized to cause preliminary examination and survey to be made of Polson Bay, Flathead Lake, Montana, with a view to dredging the channel and putting in piling on the east side thereof.

IMPROVEMENT OF WILLAMETTE AND COLUMBIA RIVERS, OREGON.

Mr. BOURNE submitted the following concurrent resolution (S. C. Res. 78), which was referred to the Committee on Commerce:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of War be, and he is hereby, directed to cause a survey and estimates to be made for a project of improvement of the Willamette and Columbia rivers, in the State of Oregon, so as to provide a 30-foot channel from Portland, Oreg., to the Pacific Ocean, and report the same to Congress.

PORTRAIT OF THE LATE SENATOR ALLISON.

Mr. TELLER. I have a very brief resolution, which I desire to offer and to which I call the attention of the Senate. I am sure it is a resolution which the Senate will be glad to pass. I send it to the desk and ask for its present consideration.

The resolution (S. Res. 264) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate Committee on the Library is hereby authorized to purchase from Wilber A. Reaser his oil portrait of the late Senator William B. Allison, at a cost not to exceed \$1,500, the same to be paid from the contingent fund of the Senate.

ADDITIONAL CLERK TO COMMITTEE ON THE LIBRARY.

Mr. WETMORE submitted the following resolution (S. Res. 262), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on the Library be, and is hereby, authorized to employ for the remainder of the Sixtieth Congress an additional clerk, to be paid from the contingent fund of the Senate, at the rate of \$120 per month.

HOUSE BILLS REFERRED.

The following bills and joint resolution were severally read twice by their titles and referred to the Committee on the District of Columbia:

H. R. 23707. An act to incorporate the Imperial Palace Dramatic Order Knights of Khorassan;

H. R. 26920. An act to repeal section 12 of an act entitled "An act to provide for a union railroad station in the District of Columbia, and for other purposes," approved February 28, 1903, and to provide for the location and erection of a substation on the parking at the corner formed by the intersection of the east side of Seventh street and the south side of C street SW., in the city of Washington, D. C., by the Philadelphia, Baltimore and Washington Railroad Company, and to provide for the approval of the same by the Commissioners of the District of Columbia; and

H. J. Res. 200. Joint resolution granting to the Fifth Regiment Maryland National Guard the use of the corridors of the courthouse of the District of Columbia upon such terms and conditions as may be prescribed by the marshal of the District.

LEGISLATIVE, ETC., APPROPRIATION BILL.

The VICE-PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 23464) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1910, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. CULLOM. I move that the Senate insist upon its amendments and agree to the conference asked for by the House, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Vice-President appointed Mr. WARREN, Mr. HEMENWAY, and Mr. TELLER.

INFERIOR COURT JUSTICE OF THE PEACE.

The VICE-PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 6359) to change the name and jurisdiction of the inferior court of justice of the peace in the District of Columbia.

Mr. GALLINGER. I move that the Senate disagree to the amendment of the House, and request a conference on the disagreeing votes of the two Houses thereon, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Vice-President appointed Mr. GALLINGER, Mr. DILLINGHAM, and Mr. MARTIN.

VETERAN VOLUNTEER FIREMEN'S ASSOCIATION OF THE DISTRICT.

The VICE-PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2024) to amend an act authorizing the Commissioners of the District of Columbia to grant to the Veteran Volunteer Firemen's Association use of certain property in the city of Washington, approved March 2, 1891, which was, on page 1, line 3, to strike out said act and insert the act entitled:

An act authorizing the commissioners to grant to the Veteran Volunteer Firemen's Association use of certain property in the city of Washington, approved March 2, 1891.

Mr. GALLINGER. I move that the Senate concur in the amendment of the House of Representatives.

The motion was agreed to.

AFFAIRS IN THE TERRITORIES.

Mr. BEVERIDGE. I ask that the conference report on the bill (H. R. 21957) relating to the Territories be laid before the Senate. The report was printed in full in the RECORD on January 22.

The VICE-PRESIDENT laid before the Senate the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 21957) relating to affairs in the Territories, which was read.

The report was agreed to.

SUPPRESSION OF DEALINGS IN FUTURES.

Mr. DAVIS. Mr. President, I ask that Senate bill 7370 be laid before the Senate.

The VICE-PRESIDENT. At the request of the Senator from Arkansas the Chair lays before the Senate the bill indicated by him, which will be read by title.

The SECRETARY. A bill (S. 7370) to prohibit any person or corporation, for themselves or for or in the interest of any other person or corporation, directly or indirectly, from delivering, receiving, or transmitting, and from being interested in, or aiding in any manner, the receiving, delivering, or transmitting by mail, telegraph, telephone, or other means whatever, in any State, district, country, Territory, or place over which the sovereignty of the United States of America now exists, any message, information, intelligence, letter, writing, card, device, sign, symbol, cipher, or other thing whatsoever, the subject of the senses, or any of them, whereby intelligence or information may be conveyed or understood, relating to or in any manner or form concerning any transaction or proposed or suggested transaction, scheme, or plan to speculate or gamble, or gain or lose sums of money called margins, which gains or losses, respectively, are made to depend upon the future increase or decrease of the market price of any product of the soil, provided that at the time of such transaction, proposed transaction, scheme, or plan for so speculating or gambling any such product of the soil be the subject of interstate commerce, or the subject of commerce from or by and between the people of the United States of America and the people of any foreign country.

Mr. DAVIS. Mr. President, the bill which I present for the consideration of this honorable body is leveled at one of the greatest evils that exists in this Government, namely, gambling in the products of the soil; gambling in the fruits of human industry, the fruits of honest toil. The object and purpose of this bill is to suppress this character of gambling, and I feel secure, sir, in the position I take, that if this bill shall receive the favorable consideration of Congress and shall become a law, it will accomplish the purpose for which it is intended and eradicate and destroy this great evil.

The provisions of the bill, to my mind, are plain, simple, yet effective. Section 1 of the bill provides that it shall be unlawful for any person, association of persons, corporation, or association of corporations, being in any State or Territory in the United States or any foreign country, to deliver, receive, or transmit, directly or indirectly, or to be interested in or to aid in the receipt, delivery, or transmission, by means of the mail, telegraph, or telephone, any intelligence or information, message, letter, or card, or other device whereby any intelligence or information may be conveyed to any other parties, persons, or associations, or corporations, for their use and benefit, relating

to or in any way concerning any transaction suggested or proposed, whose true intent may be to gamble or speculate as to the future market price of any product of the soil, commonly known as "buying and selling futures," provided, that bona fide sales and delivery, according to contract, shall not subject the parties to such transactions to the penalties of this act.

Mr. President, this section, when boiled down to its last analysis and relieved of its legal technical verbiage, provides this: That in any interstate or international transaction it shall be unlawful to use the mails, or the telegraph, or the telephone system for the purpose of conveying gambling propositions between buyer and seller.

That this may be done can not be disputed by anyone who has given the subject careful consideration. For the present purpose of the argument, let us concede that buying and selling futures, as commonly understood among men, is a gambling transaction; then, I take it, sir, that it will not be gainsaid or denied that Congress, by proper bill, may provide that the public mails may not be used for the purpose of assisting, aiding, or encouraging such a gambling transaction. In like manner, Congress may say that the telegraph system and the telephone system of the country shall not be used for the purpose of conveying intelligence from buyer to seller, or vice versa, in any transaction of this character. These, Mr. President—the mail, the telegraph, and the telephone—are the three great means of communication, and if Congress shall, by law, place an inhibition upon their use for this purpose, the day of the speculator in the products of the soil will have ended, and the business of the cotton and other exchanges of the country will have ceased. Whenever we, by means of legislation, stop the means of communication between the buyer and the seller, this business of the gambler falls of its own weight, because when the feeders, through the instrumentality of the mail, the telegraph, and the telephone, are shut off, the gamblers at the fountain head of this nefarious scheme can not gamble among themselves, and their business is at once at an end.

Section 1 of this bill, Mr. President, provides a penalty not only against the telegraph and telephone companies who receive and transmit these messages, but it provides a penalty against the man who sends the message; also against the man who receives the message. It so hedges in this illegal transaction and makes the continuation of it so hazardous and uncertain that few will care to risk being caught in the meshes of the law in order to carry on this character of enterprise. Section 3 of the bill provides that it shall be unlawful for the postal authorities of the United States to receive for transmission, whether properly stamped or not, any letter or other thing mentioned in section 1 of this act; and if such unlawful letter or card shall at any time come into the custody of any postal official, it shall be marked "unlawful," filed in a place securely locked under the supervision of the proper postmaster or postal official, and notice of its possession given at once to the district attorney in the district in which it is taken, or to the Attorney-General, and the Postmaster-General shall make and publish proper rules and regulations for carrying into effect this provision.

Section 4 provides that if any officer of the Postal Department having the lawful possession of any such letter or other thing mentioned in sections 1 and 3 of this act, and shall, knowing the unlawful character of said letter, deliver the same, either to whom addressed or to any other person, except as provided in section 3, to the district attorney or Attorney-General, shall be subject to indictment, and, upon conviction, shall be fined in any sum not less than \$100 nor more than \$5,000, and shall be removed from office and thereafter shall not be eligible to hold any office of public trust.

Section 5 of this act provides that any other person, other than postal officials, who shall violate this act shall be guilty of a felony, and upon conviction shall be confined to the penitentiary for not less than five nor more than fifteen years.

Section 6 of this act provides that any corporation violating the provisions of this act shall forfeit and pay to the United States of America for each unlawful act not less than \$10,000 nor more than \$100,000, to be recovered by proper suit, one-half to go to the informant and one-half to the Government. Besides, if the district attorney or the Attorney-General shall be derelict in his duty, or shall neglect or refuse to enforce the provisions of this act, then section 6 empowers the President of the United States to appoint some suitable and proper person that will enforce it.

This act, Mr. President, brief as it is, plain and explicit as are its terms, in my judgment, is a thorough and a complete remedy for the evil at which it is directed.

Of course, it is not contended that Congress can regulate transactions happening or occurring wholly within any given State. It can only regulate such transactions as are interstate

or international, and this is all that is intended or contemplated by the bill under consideration.

I had the honor, Mr. President, while governor of my State, to draft a bill along these lines, applying to gambling transactions occurring wholly within the State of Arkansas.

This bill, as drafted by me, was enacted into a law by the legislature of Arkansas, and can be seen by reference to the acts of Arkansas for the session of 1907, and is much more drastic in its terms than the bill now under consideration. It provides a penalty against the use of the telegraph or telephone lines wholly within the State of Arkansas, for the purpose of conveying information between buyer and seller in one of these gambling transactions. The Western Union Telegraph Company resisted the enforcement of this law in the United States district court in the city of Little Rock, Ark., and was defeated at every point, the court upholding the law absolutely as written, and so thorough was the construction given the statute in this case and so satisfactory the reasoning of the court that an appeal was not taken, and to-day there can be no buying and selling of futures in the State of Arkansas, and no bucket shops are permitted to carry on their crooked transactions.

Now, Mr. President, the only difference between the Arkansas statute and the bill under consideration is that, in the bill now presented, we prohibit the use of the mails for this unlawful purpose. This, of course, can not be done by state statute, and I appeal to Senators here to help me in the enactment of this law to suppress this great evil.

Dealing in futures, either in cotton or grain, is conducted through the agency of exchanges, the most notable of which is the New York Cotton Exchange, and to this I desire to direct your attention especially. The New York Cotton Exchange, as is well known to each Senator, is a corporation organized under the laws of that State; it is composed of less than 500 members, and the number can not be increased beyond that; the initiation fee is \$10,000, and new members are elected by the old; no man can deal directly in cotton futures unless he is a member of this exchange.

It is not contended, Mr. President, that every sale of cotton made by the New York Cotton Exchange is a gambling transaction, but I desire to say that during the fight before the legislature of my State, for the passage of the Arkansas statute against this evil, I personally cross-examined, under oath, one of the brightest members of that exchange, and in his testimony before the committee having the matter in charge he admitted that 90 per cent of their dealings were purely speculative, and that to rob the New York Cotton Exchange of its speculative feature would be to destroy the business itself.

This bill is not directed against legitimate transactions, where the delivery is made, or can be made, but is only directed against that character of transactions where no delivery is ever contemplated, either by the buyer or the seller, and nothing is expected to be done in the way of the completion of the contract except to pay the margin or difference between the price at which the product is sold or bought and the price of the market at the time delivery is to be had; in other words, to pay the difference in the fluctuations of the market, which is purely speculative, and as sworn to by this member of the New York Cotton Exchange, 90 per cent of their transactions are of this character. As further proof upon this point, Mr. President, I submit an extract from a report of the Senate committee appointed by this honorable body to investigate and report upon this subject, such committee being presided over by that able jurist and statesman, the late Senator George, of Mississippi. This committee made a full examination of the entire option question, took the fullest testimony from the ablest representatives of the exchanges, and made a report, which, with the testimony, was printed as a public document, Senate Report 986, third session of the Fifty-third Congress. Here is what that committee had to say as to the option system:

In the first place, let it be noted that only in and through and under the regulations of the two cotton exchanges in New York and New Orleans can this business be transacted. The cotton exchange in New York is a corporation under the laws of that State. It is composed of less than 500 members, and the number can not be increased beyond that. The initiation fee is \$10,000, and the new members are elected by the old. No man can deal directly in futures unless he is a member.

The corporation has absolute power over the dealings. All disputes or controversies are settled by a court established by the corporation itself, in what is called "arbitration proceedings." Neither party is allowed to call in a federal or state court. It fixes the grades of all cotton, designates the warehouses in which it shall be stored, fixes the fee, and charges for storage, weighing, and all other work done in relation to cotton. It fixes the quotation of prices which are to be published to the world, and these quotations are thus fixed under its rules for months for which there are no actual sales.

It and its members have such wealth that it is claimed, in a published letter of one of the principal members, made in response to argument made on the floor of this body, that the exchange can absolutely dominate and fix prices, as against all others, by flooding the market with offers of an unlimited supply of futures when at other places prices are, in its opinion, too high, and thus break the market; and,

on the other hand, when it deems prices too low at other places, may immediately buy all that can be offered.

The New Orleans Cotton Exchange, though located in the largest cotton market this side of the Atlantic, is a mere annex to and a subordinate of the New York Cotton Exchange, and so need not be described further than by saying if it had the will to do good it has not the power.

Such are the agencies and localities of these dealings, and they are the sole agencies and places for transacting this business.

Mr. President, I select the one product, cotton, for the purpose of this argument, notwithstanding the bill here proposed forbids future dealing in any product of the soil. I select cotton because I hail from the Southland where cotton is king, is our staple commodity; where cotton is our all. God has blessed the Southland as he has no other portion of this great Commonwealth. He has given us in soil and climate a corner on the production of this great staple, and it is to prevent the gambler from despoiling our agricultural people, not only of the South but of the West as well, that I ask for the passage of this bill. If it be insisted that the New York Cotton Exchange is a legitimate business, and that it is not a gambling device and should not be disturbed by legislative enactment, I have but to call attention to the fact that the average yield of cotton for the past ten years has been about 11,000,000 bales. Ah, Mr. President, how many bales of cotton have been sold by the thieves and gamblers in this New York Exchange? More than ten times the amount annually produced by the farmers of the Southland. More than 10 bales for 1. Then I ask the Senators upon this floor who would oppose the passage of this bill, How can delivery be made?

Do you not know, as a matter of fact, Mr. President, that delivery is never contemplated? Then, if this is true, this New York Cotton Exchange is one great, big gambling institution; and shall it be contended that simply because it is a gambling house upon a large scale, controlled by the wealthiest men in the land, that it shall go unwhipped of justice, that it shall go unpunished by law, when the small gambler that risks but little on the throw of the dice is punished by the laws of every State in the Union and would not be countenanced by any Senator upon this floor? With an average annual yield of 11,000,000 bales of cotton, this exchange has sold more than 100,000,000 bales annually, and I say to you, Mr. President, that this 11,000,000 bales actually produced, by no process of reasoning known to myself, can be rubberized so as to cover 100,000,000 bales of fictitious cotton sold by this crowd of gamblers; and it is well known to every dealer that a delivery is a physical impossibility, and no delivery is contemplated in the transaction. The whole transaction is a pure gamble, a bucket-shop transaction of the worst kind, and no exchange should be lawfully empowered to continue this gambling game.

If we needed further proof that the business of the New York Cotton Exchange is purely a gambling device, we have but to examine the case of Irwin against Miller, 110 United States, 499-507-508, where that court of last resort, the Supreme Court of the United States, sanctioned the charge of the trial judge to the jury, which was as follows:

If, however, at the time of entering into a contract for a sale of personal property for future delivery it be contemplated by both parties that at the time fixed for delivery the purchaser shall merely receive or pay the difference between the contract and the market price, the transaction is a wager, and nothing more. It makes no difference that a bet or wager is made to assume the form of a contract. Gambling is none the less such because it is carried on in the form or guise of legitimate trade.

The Supreme Court of the United States said:

We accept this as a correct statement of the law upon that point.

It is estimated by the press of the country that the average daily sale of future cotton by the New York Cotton Exchange will equal a million bales per day, or 300,000,000 bales annually, or more than 30 times the entire actual product of the soil. While this estimate of the press may be excessive, yet it is in the neighborhood of correct, and shows conclusively that no delivery is contemplated by the parties to the transaction, but that it is gambling pure and simple.

If additional proof were necessary, Mr. President, to establish the fact that this future dealing in cotton is but a gambling transaction, I may quote more liberally from the report of the Senate committee above referred to. This report is based upon the testimony of cotton experts, cotton growers, cotton merchants, and men schooled in every phase of cotton production in each of the ten States that grow cotton. This testimony is full and complete and covers more than 500 pages of printed matter in the Senate document to which I have referred. In the testimony taken before this committee it is contended by the advocates of future gambling that there is or can be an actual delivery in each of these future sales. The committee, however, says, after a careful analysis of this testimony:

It is shown very conclusively that the actual deliveries, as they are claimed to be, are, in fact, fictitious. It is shown that a certain number of bales are classed, weighed, and certificated, and deposited in a warehouse. Each certificate is for 100 bales and is a legal tender for

delivery under one of these contracts. It is negotiable and passes around from hand to hand, as other negotiable paper. It is tendered and accepted on an average at least 30 times before it rests. In this way it is claimed 3,000 bales are delivered to one certificate, yet, in all these various transactions, not a bale of cotton is seen or actually passes from one man to another.

The cotton all the time rests in the warehouse for delivery, it is true, to the holder of the certificate, but the holder is a mere gambler in futures and does not want the cotton any more than the purchaser under the futures contract wants it. So he does not call for the delivery, but makes it the basis of further dealings in futures. He makes other sales and, in compliance with these, delivers the same certificate; and it thus goes the active round of transfer and the negotiation till it settles another 3,000 bales or more, and so continues till the twelve months for which it runs has expired. Nor does this necessarily end it. It may be certificated again for another twelve months, and so on ad infinitum, or until, having performed its office in being the foundation for innumerable pseudo deliveries, it may be retired from active business by a real sale and delivery to the paper manufacturer or some other user of inferior cotton.

The ingenuity of these dealers thus, in the settlement as in the making of contracts, simulates real transactions so well as to give color to their claim that these dealings are not, as they are in law, pure gambling on the future price of cotton. In the contracts the stipulation to deliver is mere sham, never intended to be fulfilled, compliance being evaded by ring settlements and by the sham deliveries we have described, the certificates alluded to being less in real substance than the gambler's checks, which, as representatives of money, go through many transfers, according to the varying fortunes of the game, but are supposed to be redeemable in actual money at the end of the play.

I am willing to rest my case, Mr. President, upon this point in the controversy, on the findings of the Senate committee, which, in my judgment, shows conclusively that this buying and selling of cotton futures is gambling of the worst type. Why the worst type? Because it is gambling not only in the products of the soil, but it is gambling in the flesh, in the blood, and in the bones of the women and children of the South, who are forced by the robbery and spoliation of these gamblers to toil from daylight until dark to produce the subject-matter of this gambling transaction. It will be noted, Mr. President, that the bill under consideration does not make it a crime or attempt to punish these gambling transactions per se, for the reason that it would be difficult to locate the situs or body of the offense. It is a divided transaction, occurring partly in New York and partly in the State where the buyer may reside, and it would be difficult for the courts of the country to determine just where the jurisdiction rests that might punish this offense. But, sir, the bill under consideration seeks to destroy the means of communication between the gambler and his patron, to inflict such penalties for the use of the mail, the telegraph and telephone systems for this unlawful gambling transaction as that it may leave the gambler, the stockjobber, the perpetrator of this gambling device without a means of reaching his customer for the purpose of plying his wicked vocation. If this bill shall become a law, it will be easy to locate the jurisdiction that shall have power to punish the offenses, and I apprehend that but few that now fritter away their substance chasing this will-o'-the-wisp, cotton-future gambling, will dare take a chance to run amuck the penalties of the law, as provided in this bill.

The best method, Mr. President, to break up a gambling house is not to fine the proprietor at stated intervals for the privilege of running the game, but arrest and punish the frequenters of the gambling resort; and when this is known and understood there will be but few players. That is the object and purpose of my bill, to make it burdensome to the player as well as to the proprietor, and burdensome to the corporations—the great telegraph and telephone systems—who permit their wires to be used for the purpose of notifying players and victims of this great gambling house to be sacrificed and slaughtered by these gambling kings. It may be insisted, Mr. President, that this character of legislation does not fall within the power of Congress to enact. Ah, sir, the Constitution of the United States provides that Congress shall have the power to regulate commerce between the States and between this Government and foreign countries. Cotton is essentially an article of commerce. The committee to whose report I have referred finds conclusively that this gambling in cotton futures is injurious to the commerce of the country and that Congress has the power, and should exercise it, to stop this character of gambling. Then, sir, I contend that if Congress has the power to punish the thing itself—that is, the gambling in cotton futures—it also has the power to prevent the use of the mails and the telegraph and telephone systems to carry intelligence and advice and invitations from the buyer to the seller in these gambling transactions that might be absolutely prohibited by law.

Let us consider, in the second place, the evil consequences of this character of gambling. I understand, Mr. President, that by it these gamblers fix the price of the products of the soil. They fix the price absolutely and unalterably of every bale of cotton, of every bushel of wheat, of every bushel of corn that is produced in this country. Again referring to the report of the Senate committee for proof of this proposition:

The corporation (meaning the New York Cotton Exchange) has absolute power over the dealings. All disputes and controversies are set-

tled by a court established by the corporation itself, in what is called "arbitration proceedings." Neither party is allowed to call in a federal or state court. It fixes the grades of all cotton, designates the warehouses in which it shall be stored, fixes the fees and charges for storage, weighing, and all other work done in relation to cotton. It fixes the quotations of prices which are to be published to the world, and these quotations are thus fixed under its rules for months for which there were no actual sales.

It and its members have such wealth that it is claimed, in a published letter of one of the principal members, made in response to arguments made on the floor of this body, that the exchange can absolutely dominate and fix prices, as against all others, by flooding the market with offers of an unlimited supply of futures when at other places prices are, in its opinion, too high, and thus break the market; and on the other hand, when it deems prices too low at other places, may immediately buy all that can be offered.

They are, in fact, an oligarchy of wealth, self-created and self-perpetuated, which hold in subjection to their will the interests of the people of at least ten States in the Union.

In all these they assume and exercise a power of regulating interstate and foreign commerce in cotton which is vested by the Constitution in Congress alone.

This is strong language, Mr. President, deliberately expressed after months of careful study and investigation, based upon the testimony that these gamblers form an oligarchy of wealth self-created and self-perpetuated, which hold in subjection to their will the interests of the people of at least ten States of this Union. I say to you, sir, a fact which is well known in every cotton State in this Union, in every village, in every hamlet, in every town, that cotton, this great staple, this great commodity, can not be moved, can not be sold except at the will and bidding of this oligarchy of wealth built up by these gamblers—wealth wrung from the very heart's blood of the people of the South. The smallest farmer when he carries his cotton to town, 3 or 4 bales, perhaps, the fruits of the toil of himself and his wife and his babies, is met by the cotton buyer, who says to him:

I can not make you a price upon this, the product of your labor upon this great commodity which you are producing, until I consult the exchange; until I receive a wire telling me the price fixed upon your cotton.

By this great oligarchy of wealth, by this great gambling institution which is fast sapping the lifeblood of our people.

Sir, the great law of supply and demand that should regulate the price of all commodities has been wiped out, has been destroyed by this great combination of gamblers, this oligarchy of wealth that holds in subjection to their will the people of ten sovereign States of this Republic. Now, Mr. President and Senators, if these future dealings are gambling, and if they fix the price of the commodity, not by any law of supply and demand, but by the law of the manipulator, shall it be contended by any Senator upon this floor that this system shall longer continue? If we can not reach it by a direct law making it a crime to sell cotton futures, then, I pray you, sirs, let us reach it by this indirect method, by cutting off communication between the buyer and seller, by rendering the gambler helpless and impotent, by allowing his wicked and hellish business to die of its own filth and of its own putrid corruption.

Mr. President, it is no fulsome flattery for me to say that the agriculturist, that the farmer, is the most important factor in this great Government of ours; that he is the great basic rock upon which this great superstructure rests; that upon his shoulders rest the burdens of the Government. Ah, Mr. President, we can do without the merchant, we can live without the doctor, we can live without the banker, we can live without the railroad magnate, we can live without the bondholder who clips at stated periods his coupons, we can get along without the Senate of the United States, or the President of the United States; but, sir, this Government can not last for the twinkling of an eye without the man who toils, who labors, and who sweats. This Government can not exist for one minute without the man who feeds and clothes the toiling millions of the earth; it can not exist, Mr. President, without the farmer. Upon his efforts, upon his exertions, upon his daily toil we all depend, not only for the sustenance of life, for the very clothes we wear, for the food we eat, but the luxuries that surround us to-day, because from his labors and from his alone spring all the blessings of life. Then shall it be said, sir, that the Congress of the United States, the servants of the people, shall sit here in stolid silence and close their eyes to this great evil, refusing to enact a law that will give to this great wealth-producing class their just rights under this Government, that will tear down this oligarchy of wealth built up by these gamblers, and restore to the people the great law of supply and demand to regulate the sale of their products.

Mr. President, I plead with this Congress to-day to enact a law that will take the white women and white children of the South out of the cotton fields, that will give to the producers of this great commodity a fair return for their husbandry and their toil, that will build up schoolhouses and churches in the waste places of our land, that will make better citizenship, that will give better opportunities for education and development, that will make the Southland, the fairest spot on God's green

footstool, bloom and blossom like the roses, and will return to honest husbandmen a fair compensation for their industry and their labor.

Mr. President, there is another great agency for evil so closely connected, so closely allied with gambling in futures that one can not be discussed independently of the other, and while the bill under consideration is not directly leveled at the New York Stock Exchange, yet, sir, to properly understand the one a consideration of the other becomes necessary. The New York Stock Exchange is a voluntary association of persons and is not incorporated, with a membership limited to 1,100. These memberships are known as "seats," and are sold at varying prices—in 1900 as low as \$14,000 a seat, and prior to that time as high as \$95,000 a seat. The membership of these two exchanges is almost identical, one, of course, not having as many members as the other, but they together embrace the richest, the most influential, the most powerful moneyed men of the country. The dealings of each and both ramify every avenue of business and trade, are seen and felt in every feature of our commercial life, and control either directly or indirectly every business transaction of our country which shapes and determines its destiny. The combined wealth of the members of these two great exchanges whose interests interlock and entwine is fabulous, indeed, and staggers the mind of ordinary men to comprehend it.

From official sources, Mr. President, I have prepared a short statistical abstract of the origin, history, and dealings of the New York Stock Exchange, with its membership and their holdings and their methods of business, which I ask to have printed as a part of my remarks on this occasion, without taking the time of the Senate for its reading.

The VICE-PRESIDENT. Without objection, permission is granted.

The matter referred to is as follows:

THE NEW YORK STOCK EXCHANGE.

This exchange was formed in 1792 by 24 brokers in the city of New York, under a tree near the present number, 60 Wall street. In 1817 the New York Stock and Exchange Board was constituted by 25 men. From that time down to 1853 it had its quarters in the Merchants' Exchange, at Wall and William streets. In the latter year it removed to Beaver and Wall streets, and in 1865 to its present location on Broad street.

It is a voluntary association and not incorporated, with a membership limited to 1,100. Members are elected and must be nominated by 2 men, who must say that they would accept the uncertified check of the nominee for \$20,000. The initiation fee is \$20,000. The dues are about \$50. These memberships are known as "seats," and are sold or transferred at varying prices. In the seven years prior to 1900 these seats were sold as low as \$14,000. In 1900 they were quoted at from \$38,000 to \$41,000. Prior to 1900 the highest price of a seat was about \$95,000. In April, 1906, a seat sold for \$84,000, and in March, 1907, for \$73,000.

The original object and purpose of the exchange was to obtain uniform commissions for the buying and selling of stocks, but this object and purpose has been enlarged during the one hundred and sixteen years of the existence of the exchange so as to include the purchase and sale of all and every variety of stocks, bonds, and securities, national, state, county, and municipal, industrial, public, and private; their manipulation, so as to control prices, and, in short, every form of speculation, legitimate and illegitimate, from the purchase and sale of stocks and bonds, with an honest delivery, to the wildest form of stock gambling and stock jobbing. The members of the New York Stock Exchange, as given by Moody for the year 1907, the latest available, together with the officers for that year, are as follows:

OFFICERS.

1907.

H. K. Pomroy	President.
C. W. Maury	Vice-president.
F. W. Gilley	Treasurer.
Geo. W. Ely	Secretary.
Jno. C. Burns	Assistant secretary.
H. S. Martin	Second assistant secretary.
B. G. Talbert	Chairman.

MEMBERS.

Adams, Edw. L.
Adams, F. F.
Adsit, Chas. C.
Alexander, J. Henry, jr.
Alexander, L. D.
Alley, Wm. S.
Altshul, Chas.
Alvord, Edwin B.
Amory, J. M.
Amy, L. H.
Anderson, W. C.
Andrews, Chas. Lee.
Andrews, Jas. F.
Anness, Edw. C.
Anness, Fred W.
Anthony, S. Reed.
Arents, George.
Arnold, Allen.
Atterbury, J. T.
Auchincloss, C. R.
Auchincloss, Edgar S.
Auerbach, Jno. H.
Bancock, S. D.
Bach, Joe S.
Bacon, Daniel.
Bagley, Geo. C.
Baker, Alfred L.
Baker, Geo. F., jr.

Baker, J. H.
Ballard, F. E.
Bamberger, Harry.
Bamberger, William.
Banks, A.
Banks, Theo. H.
Barclay, Robert S.
Barnes, Davis.
Barnes, James.
Barr, Stewart.
Barrel, Finley.
Barstow, Rogers L.
Bartol, Henry G.
Barton, Chas.
Baruch, Bernard M.
Baruch, Hartwig M.
Baruch, Sailing W.
Bass, Walter A.
Bates, Jno. G.
Bates, T. Towar.
Battelle, Seavey.
Bayer, Stephen D.
Baylis, Abraham B.
Baylis, William.
Baylis, William, jr.
Bean, Chas. H.
Bearn, J. S.
Bebee, Wm. E. O.

Beeckman, R. L.
Beers, Jno. W.
Belden, Wm. A.
Belmont, August.
Benedict, Cleland.
Benedict, E. C.
Benedict, Legrd. L.
Benedict, Lemuel C.
Benjamin, Hamilton F.
Benkart, Harry H.
Benkart, J. Philip.
Benson, R. Lawrence.
Berdan, Temple T.
Bernier, Chas. E.
Berg, William J.
Betts, W. Rosseter.
Bianchi, John.
Bishop, W. F.
Bissell, R. H.
Black, Jno. A.
Blagden, Dexter.
Blair, C. Ledyard.
Blandy, Graham F.
Bliss, Walter P.
Block, Henry.
Blood, S. L.
Blumenthal, H.
Blumenthal, Simon B.
Boardman, Lansdale.
Bogert, Eugene T.
Bogy, Ramsay C.
Bonbright, G. D. B.
Bond, Geo. W.
Bonner, Charles W.
Bonner, E. H.
Bontecou, Frederic T.
Boocock, S. W.
Boody, Henry T.
Borland, J. Nelson.
Borland, William Gibson.
Borman, Adolph H.
Boskowitz, Jessie L.
Bouvier, John V.
Bouvier, M. C.
Boyd, A. B.
Bragaw, E. T.
Braine, Theodore.
Braman, Dwight.
Bramley, William A.
Branch, John Kerr.
Branch, John P.
Brand, O. J.
Brewster, Walter S.
Bridgman, Oliver B.
Bright, Edgar H.
Britton, Charles P.
Brooks, George C.
Broun, Campbell C.
Brown, A. L.
Brown, Albert O.
Brown, Frederick W.
Brown, Gardner W.
Brown, G. Hunter.
Brown, H. C.
Brown, Herbert P.
Brown, J. E.
Brown, Philip T.
Brown, Richard R.
Brown, Stephen H.
Brown, Waldron P.
Brown, Walston H.
Brunley, Frank E.
Bruns, Edwin G.
Bryan, Benjamin B.
Buchanan, Geo. Briggs.
Buck, Thos. C.
Buckhout, E. W.
Budge, Henry.
Bull, W. L.
Burden, Arthur Scott.
Burden, William A. M.
Burger, William H.
Burns, William K.
Burr, M., jr.
Burr, Winthrop.
Burros, Howard K.
Burrill, Drayton.
Burrill, Edward L.
Busch, Briton N.
Bussing, John S.
Butler, Arthur W.
Buttrick, C. A.
Burne, James M.
Cabell, Henry L.
Cahill, Thomas F.
Cahn, Arthur L.
Cahn, Benjamin R.
Cahn, Frank B.
Cahn, Jacob.
Cahoone, A. M.
Callaghan, W. P.
Callaway, Wm. T.
Camblos, H. S.
Campbell, Henry G.
Campbell, Henry G., jr.
Campbell, Oliver S.
Canby, Caleb H.
Cannon, Henry B.
Carey, Frederic F.
Carleton, Alex.
Carley, Francis C.
Carlisle, Jay F.
Carpender, W.
Carpenter, Natl. L.
Carril, Charles E.
Casilear, Geo. F.

Caspary, Alfred H.
Cave, E. M.
Chambers, Robert.
Chandler, F. F.
Chandler, R. G.
Chapin, Simeon B.
Chapman, Clarence C.
Chapman, Clarence E.
Chapman, H. T.
Chapman, John D.
Chauncey, Daniel.
Childs, James H.
Chisholm, E. de C.
Churchill, George A.
Clark, Alex. S.
Clark, E. W., jr.
Clark, Henry I.
Clark, Herbert H.
Clark, John M.
Clark, Josiah H.
Clark, Louis C.
Clark, Thomas L.
Clarkson, M. H.
Clement, Waldo P.
Clews, Henry.
Clews, John H.
Codman, Alfred.
Cohen, Clarence M.
Cohen, William W.
Cohn, Allan F.
Colbron, W. T.
Coleman, L. W. T.
Coler, Bird S.
Colgate, James C.
Colket, Tristram C.
Colvin, William H.
Combs, A. H.
Cone, Henry H.
Connor, E. S.
Connor, W. E.
Content, Harry.
Content, Walter.
Coolidge, Henry.
Cooper, L. A.
Cooper, William.
Corliss, Arthur.
Cornwell, John W.
Coster, W. B.
Cox, E. V. D.
Cramp, Theodore W.
Criss, Hugh F.
Crocker, George.
Cromwell, S. L.
Cruikshank, S. A.
Crutchfield, David.
Cummings, G. F.
Currie, Cameron.
Currie, Walter J.
Curtis, Allen.
Curtis, Frank.
Curtis, Philip.
Cutting, J. D. W.
Dabney, Frederick L.
Dalgren, E. B.
Damerel, Wm. G.
Dannenberg, M. J.
Danzig, Jerome J.
Darr, George W.
Davis, Fellowes.
Davis, H. Townsend.
Davis, J. Edward.
Davis, John H.
Davis, Morgan.
Davis, Robert, jr.
Day, Charles S.
Day, Frank A.
Day, Harry Vallette.
Day, Julian.
Deal, Edgar.
Degener, Rudolph.
Delafield, Edward H.
Denny, Thomas.
Denny, Thomas, jr.
Dewing, Hiram E.
De Coppel, Ernest H.
De Coppel, Louis C.
De Coppel, T.
De Cordova, A.
De Cordova, Cyril V.
De Haven, A. H.
De Haven, William B.
De Mauriac, E. A.
De Neufville, A.
De Russey, Rene A.
De Veau, Frederick C.
De Witt, Charles H.
De Witt, Clarence.
Dick, Frank M.
Dickerman, W. B.
Dickinson, W. H.
Dimock, George E.
Dittman, H. I.
Dixon, Wm. H.
Dodd, Henry W.
Dominick, Bayard, jr.
Donald, W. M.
Doremus, Robert P.
Douglas, Frederick H.
Douglas, J. Gordon.
Drake, Clifford.
Drake, S. Joseph, jr.
Drummond, Edmund J.
Drummond, J. N., jr.
Duryea, Frank W.
Eames, Francis L.

Eckstein, H. Eugene.
Eckstein, Alfred.
Edgerly, Walter H.
Eells, Richard L.
Ehrick, William J.
Einstein, Samuel.
Elias, Albert J.
Elkins, William M.
Ellinger, Max.
Emerson, W. K. B.
Emmons, Kintzing B.
Erdman, William.
Estabrook, A. F.
Eustis, George D.
Evans, William J.
Fahnestock, William.
Fairbairn, Robert A.
Fairchild, Charles Nelson.
Fairchild, Ernest A.
Farlie, Robert D.
Faulkner, H. J.
Fay, August M.
Fearon, Charles.
Ferris, A. F.
Feuchtwanger, H.
Fiedler, Edward C.
Field, Jacob.
Fincke, Reginald.
Fish, Albert H.
Fish, Edmund.
Fish, Harold L.
Fisher, L. G.
Fiske, Josiah M.
Fitch, Henry.
Fleisher, Benjamin.
Fleming, W.
Flower, A. R.
Flower, F. S.
Flower, N. M.
Floyd, Wm. T.
Floyd-Jones, W. C.
Forbes, James D.
Forrest, T. F.
Foster, H. C.
Foster, J. Hegeman.
Fox, Caleb F.
Francis, J. D. Perry.
Francke, Albert.
Frank, Charles A.
Frank, Nathan.
Frankenheimer, L. S.
Frankenheimer, William.
Freed, David A.
Freeland, John.
Frenaye, William E.
French, S. B.
Fridenberg, M. S.
Frost, Le Roy.
Frothingham, H. P.
Fuller, M. B.
Furbeck, Rollin J.
Gallatin, Frederick, jr.
Gardiner, Thomas A.
Gates, Charles G.
Geddes, Donald G.
Germond, H. S.
Gilbert, Leon.
Gibson, Robert.
Gillett, Charles W.
Gille, F. W.
Gilmor, Robert, jr.
Glaser, James.
Glaser, Morris.
Glazier, Henry S.
Glendenning, K.
Goadby, W. H.
Goddard, George H.
Godfrey, E. Drexel.
Godfrey, Henry F.
Goldsmith, S. M.
Goodbody, Robert.
Goodchild, John.
Goodhart, A. E.
Goodhart, P. J.
Gould, Edwin.
Gould, Edward W.
Gould, Frank Jay.
Gould, George J.
Gould, Howard.
Gowen, Robert E.
Graham, James Lorimer.
Grannis, Arthur E.
Grant, R. Suydam.
Graves, Andrew B.
Graves, Frank W.
Graves, Henry.
Gray, H. W.
Grayson, William, jr.
Greenway, Gilbert C., jr.
Greer, Austin M.
Greer, William A.
Gregory, Charles.
Grier, John P.
Griesel, John H.
Griswold, Le Grand C.
Groesbeck, Ernest.
Groesbeck, Herbert.
Gross, Albert H.
Grunner, Otto H.
Grunthal, Benedict H.
Gurnee, W. S.
Guthrie, H. B.
Gutman, J. W.
Gwynee, William.
Hackney, Henry C.

Halght, E.
Halney, Henry F.
Hale, Eugene, jr.
Halle, J. S.
Hallock, George D.
Halsey, R. T. H.
Halsted, E. Bayard.
Halsted, R. H.
Hambleton, Frank S.
Hammill, Caleb W.
Harding, P. W.
Harker, L. E.
Harriman, E. H.
Harriman, J. B.
Harris, John F.
Harrison, Bernard J.
Hartshorne, Hugh.
Hatch, Albert J.
Hatch, E. Sanford.
Hatch, William D.
Hatzfeld, Louis E.
Havens, E. B.
Hawley, Edwin.
Hayden, Charles.
Hays, E. St. John.
Hays, William H.
Hazard, Charles.
Hearn, Hudson H.
Heaton, William W.
Heaton, Wilson.
Heidelberg, A. S.
Heineman, Louis.
Heinsheimer, C. J.
Hellman, E. A.
Henderson, Charles F.
Hendricks, A.
Hendrickson, G. S.
Henning, Joseph W.
Henning, Samuel C.
Henop, Louis P.
Henry, Douglas.
Henry, Howard H.
Herbert, William.
Herts, C. A.
Herzfeld, F.
Herzog, Arthur.
Herzog, Oscar M.
Hess, Arthur M.
Hess, Jonas.
Hessberg, Max.
Hibbs, William B.
Hicks, Frederick C.
Higginson, H. L.
Hirchman, Alfred.
Hodges, A. G.
Hoffman, C. V.
Holligan, William R.
Hollister, George C.
Hollister, H. H.
Hollister, William H.
Holmes, Robert B.
Holman, Frank P.
Holzderber, Charles P.
Hone, John.
Honigman, Isaiiah.
Hooper, Thomas D.
Hopkins, Franklin W.
Hopkins, George B.
Hoppin, Gerard Beekman.
Hotchkiss, H. L., jr.
Hough, Edward H.
Houghtaling, W. R.
Housman, A. A.
Houston, W. R.
Howard, George L.
Howell, Hampton.
Hoyt, Colgate.
Hoyt, G. L.
Hudson, Charles L.
Hudson, Percy K.
Huhn, George A.
Hulst, E. Colvert.
Humbert, J. J. C.
Hume, Henry M.
Humphreys, Walter S.
Huntington, L. D.
Hutton, W. D.
Hutzler, Morton D.
Hyde, William T.
Ide, Robert L.
Imbrie, H. T.
Imbrie, William Morris.
Ingram, Benjamin.
Irving, John Duer.
Irwin, Henry, jr.
Iselin, C. O. D.
Jackson, Charles.
Jacob, Lawrence.
Jacobs, David M.
Jacquelin, H. T. B.
Jacquelin, John H.
Janney, Robert M.
Jewell, Edward H.
Jewett, Edward H.
Jewett, Edward W.
Johnson, Davis.
Johnson, Leeds.
Johnson, W. H.
Jones, E. Clarence.
Jones, Shipley.
Jones, W. Strother.
Josephson, A.
Josephthal, L. M.
Judson, A. M.
Judson, H. I.

Kearny, Philip.
Kelley, Austin P.
Kellogg, J. Prentice.
Kelly, John Jerome.
Kendall, W. B.
Kennedy, William L.
Keppler, Rudolph.
Kerr, Louis S.
Kerr, Thomas H.
Kessler, Alfred.
Ketcham, Charles B.
Kilborne, A. W.
Kimball, Frederick P.
Kimball, Samuel F.
Kimball, W. Eugene.
King, David James.
King, John C.
King, Nathaniel.
King, Richard.
Kinsford, Daniel P.
Kinnicutt, G. Herman.
Kip, Ira A., jr.
Kirkner, J.
Kissam, Samuel H.
Knapp, Edward S.
Kneeland, Lorenzo D.
Knoblauch, C. E.
Knox, H. H.
Kollstede, Charles A.
Kraus, Harry.
Kretchmar, H. C.
Laidlaw, E. J.
Laimbeer, William.
La Montagne, E., jr.
Lamprecht, William H.
Landon, George I.
Langhaar, H. L.
Lanier, J. F. D.
Lansburgh, R. S.
Lapsley, David.
Latham, John C.
Latham, John Howard.
Lathrop, L. C.
Lattin, Homer A.
Laner, William E.
Lawrence, Arthur M.
Lawrence, Ashton C.
Lawrence, Cyrus J.
Lawrence, Effingham.
Lawrence, Henry C.
Lawrence, Townsend.
Lawrence, W. B.
Lawrence, William T.
Lawson, William S.
Leask, Edwin M.
Leech, J. Elder.
Lehman, S. M.
Leland, C. H.
Lemmon, William.
Leo, Edgar F.
Leopold, J. M.
Levy, George H.
Levy, Harry A.
Levy, Leo.
Levy, Leonard C.
Levy, Louis.
Lewis, H. D.
Lewis, John W.
Lewisohn, Adolph.
Lewisohn, Walter.
Libaire, A.
Lilienthal, Joseph L.
Limburg, E. A.
Lindley, Allen L.
Lipper, Arthur.
Lisman, Frederick J.
Littleton, Frank C.
Livingston, H. B.
Lockwood, F. M.
Lockwood, H. B.
Lockwood, W. B.
Loeb, Otto S.
Loew, W. G.
Loring, Daniel A.
Losea, G. J.
Louchheim, Harry F.
Lounsbery, R. P.
Love, Sidney C.
Lowell, James B.
Lowengard, Otto.
Lummis, Charles A.
Lydig, Philip M.
Lyons, Samuel Clay.
Maben, Spencer M.
Mabon, James B.
Mabon, S. Clifton.
Macartney, John W.
Macdonald, Charles B.
Macdonald, Gordon.
Mack, Harold L.
Mackay, Donald.
Mackay, George D.
Mackie, David Ives.
MacQuoid, Charles W.
Mairs, Edwin H.
Malcom, George I.
Manice, Edward H.
Manning, Joseph J.
Manson, T. L.
Marckwald, Albert H.
Markoe, Harry, jr.
Martin, James M.
Martin, John F.
Martin, Melville D.
Marx, Julius.
Massie, William R.

Masten, Alvin E.
Mathews, E. Roscoe.
Mathews, James F.
Maury, Charles W.
Maxwell, George T.
Maxwell, J. R.
Mayer, Jesse.
McAlpin, David H., 2d.
McAnerney, M. J.
McCauley, W. F.
McClellan, George A.
McClure, William.
McCormick, Willis S.
McCullough, Edward A.
McGraw, Stanley D.
McHarg, Henry K.
McIntire, Paul G.
McIntyre, John G.
McKeever, I. Ch'nc'y.
McKinley, William G.
McLane, Guy R.
McNeil, Burrows.
McVickar, E. S. J.
Mearns, William A.
Mellick, George P.
Mendham, M. B.
Meredith, William T.
Merstens, William A.
Mestre, Alfred.
Meyer, Eugene, jr.
Meyer, Harry H.
Miller, E. Clarence.
Miller, E. M. F.
Miller, G. Clinton.
Miller, Nathan J.
Miller, William, jr.
Mills, Paul D.
Mills, Philip O.
Milmine, Charles E.
Minis, P. H.
Minzesheimer, C. C.
Minzesheimer, D. M.
Minzesheimer, G. M.
Montgomery, Henry E.
Moore, George H.
Moore, H. V. D.
Moorehead, T. W.
Moran, A. D.
Morgan, A. C.
Morgan, E., jr.
Morgan, Edward A.
Morgan, P. Pierpont, jr.
Morgan, W. Forbes, jr.
Morison, Andrew.
Morris, Stuyvesant F., jr.
Morrison, Louis W.
Morse, Anthony W.
Morse, H. J.
Moseley, Frederick S.
Muir, John.
Murray, Hugh A.
Myers, Lawrence B.
Myers, T. W.
Nash, Warren B.
Nast, Alexander D.
Nathan, F.
Neillson, Alfred.
Neumoegen, Manfred L.
Neustadt, S.
Newborg, Jerome.
Newborg, Joseph L.
Newborg, Leopold.
Newburger, Daniel M.
Newcombe, Charles M.
Newcombe, I. B.
Newton, Ralph W.
Nicholas, H. I.
Nicholas, Robert C.
Nichols, E. N.
Niles, Arthur L.
Niles, Robert L.
Noble, Floyd C.
Noble, H. S.
Norris, Alfred L.
Norton, Ed L.
Norton, Ex.
Norton, Huntington.
Noyes, Charles P.
Obrig, J.
O'Brien, Oswin.
O'Dell, Daniel.
Oelrichs, C. M.
Ogden, J. M.
Oliphant, James Norris.
Oliver, William B., jr.
Oltman, Henry H.
Oppenheim, Ed L.
Oppenheim, Lucius.
Oppenheimer, Louis S.
Ormsbee, A. I.
Orvis, Edwin L.
Otis, Charles A., jr.
Paine, William A.
Painter, Charles A.
Palmedo, U.
Palmer, Francis F.
Paret, W. Wilbur.
Parker, Frederick W.
Parsons, Clement S.
Patteson, Henry B.
Paxson, William B.
Peabody, Charles Jones.
Peabody, R. A.
Pearl, Dyer.
Pearmain, Sumner B.
Peck, Theodore B.

Pell, Howland Haggerty.
 Perkins, Erickson.
 Perry, Frederick W.
 Philbrick, Alan E.
 Pierce, James F., jr.
 Pierson, J. Fred, jr.
 Planton, W. K. J.
 Pomroy, H. K.
 Poor, Henry W.
 Popper, Arthur W.
 Popper, Edward.
 Posner, Alfred P.
 Post, George B., jr.
 Post, Henry M.
 Post, Sylvester.
 Potter, Clarkson.
 Potter, Edward C.
 Potter, Fuller.
 Potts, George H.
 Potts, Robert B.
 Potts, William B.
 Prall, John H.
 Prentice, W. S. P.
 Prentiss, George H.
 Preston, Ord.
 Prince, Frederick H.
 Prince, Leo M.
 Prince, S. S.
 Prior, Leland W.
 Probst, Arnold M.
 Probst, J. D.
 Provost, C. W.
 Putnam, W. A.
 Quackenbush, S.
 Quigley, James M.
 Quincey, Charles E.
 Quinn, Martin J.
 Randolph, Edmund.
 Rankin, James A.
 Rasmus, William.
 Rawlins, G. Foster.
 Rawlins, Herbert N.
 Raymond, Harry.
 Raymond, William.
 Read, W. G.
 Redmond, Henry S.
 Reichenberger, V. M.
 Reilly, William B.
 Reimer, O. Eugene.
 Renick, William H.
 Renskorff, Harry.
 Reynolds, Theo. F.
 Rhoades, J. Harsen, jr.
 Richards, Ira, jr.
 Riker, 2d, John L.
 Robins, Francis F.
 Robinson, Alex. C.
 Robinson, Arthur.
 Robinson, Attmore.
 Robinson, George H.
 Robison, William.
 Rockefeller, J. D.
 Rockefeller, William.
 Rodewald, F. L.
 Rogers, Ed L.
 Rollins, Ed. A.
 Rolston, W. H.
 Rook, Frederic C.
 Rosen, Felix.
 Rosenblatt, Edgar S.
 Rosenblatt, Sid. H.
 Rosenfeld, Herbert A.
 Ross, Walter L.
 Rothschild, Louis F.
 Rothschild, Maurice.
 Rothschild, M. B.
 Rothschild, V. Sidney.
 Roumager, C. C.
 Ruckgaber, Max., jr.
 Rudell, Robert F.
 Ruggles, Burnet R.
 Russell, Salem T.
 Runyan, Clarkson, jr.
 Rutherford, Alex. H.
 Rutherford, John A.
 Ryan, Allan A.
 St. Goar, Frederick.
 Sachs, Harry.
 Sadler, Housstroun M.
 Sage, Russell.
 Sage, Andrew.
 Salisbury, George B.
 Samson, Charles F.
 Sancton, W. B.
 Sands, G. Winthrop.
 Sands, William H.
 Savin, F. W.
 Savin, William M.
 Schafer, Charles E.
 Schafer, Leonard.
 Schafer, Myron.
 Schafer, S. M.
 Schall, W., jr.
 Scheftel, Edwin K.
 Scheftel, Herbert A.
 Scheftel, W. M.
 Schiff, Mortimer L.
 Schirmer, F. A.
 Schley, G. B.
 Schley, G. B., jr.
 Schley, Kenneth B.
 Schmidt, D. H.
 Schmidt, George P.
 Scholle, Albert W.
 Schoonmaker, Frank L.

Schott, C. M., jr.
 Schott, Hubert M.
 Schott, Ralph P.
 Schultze, Max. H.
 Schuyler, S. S.
 Scott, Frederic W.
 Scott, George I.
 Scott, Stuart.
 Scott, William S.
 Scoville, John H.
 Seligman, De Witt J.
 Seligman, James.
 Seligman, Jefferson.
 Seligman, Samuel J.
 Seligmann, Maurice.
 Seligsberg, F. L.
 Sharp, S. W.
 Sharp, W. W.
 Shaw, John W.
 Sheldon, William C.
 Sichel, Eugene A.
 Sidenberg, Gust.
 Sidenberg, G. M.
 Simmons, Cheston.
 Simon, I. M.
 Simons, Charles D., jr.
 Simons, E. H. H.
 Simons, William R.
 Sinsheimer, Alex., L.
 Slade, Prescott.
 Slaughter, A. O., jr.
 Slayback, E. H.
 Slayback, William A.
 Sloan, Benson B.
 Smith, D. Henry.
 Smith, H. K.
 Smith, Harold C.
 Smith, Herbert L.
 Smith, James D.
 Smith, Philip L.
 Smith, Winthrop.
 Smith, William Alex.
 Smith, Palmer.
 Smith, W. Schuyler.
 Smithers, C. H.
 Smithers, Herbert B.
 Smyth, Sidney L.
 Sondheim, Lewis H.
 Sonn, Herbert H.
 Sparks, John W.
 Spencer, George H.
 Speyer, Leo.
 Spengelberg, I. N.
 Sproul, P. N.
 Stafford, William Fred.
 Starr, W. Thompson.
 Sterling, Duncan.
 Stern, Albert.
 Sternbach, Maurice C.
 Sternbach, Morris.
 Sternbach, Sidney M.
 Sternberger, Henry S.
 Sternberger, M. M.
 Stevens, Eben.
 Stiebel, Samuel J.
 Stokes, Walter C.
 Stokes, Walter W.
 Stone, A. Jackson.
 Stout, Andrew V.
 Stout, Newton E.
 Stow, W. L.
 Stralen, Casimir I.
 Street, William G.
 Streit, Samuel F.
 Stuart-Wortley, R. M.
 Sturgis, F. K.
 Sulzbacher, Joseph H.
 Sussdorff, Louis A.
 Swan, H. Tilden.
 Swords, Charles R.
 Swords, Henry C.
 Taiter, James B.
 Talbert, B. G.
 Tappin, J. C.
 Tappin, Lindsley.
 Tauchert, Emil A.
 Taylor, Henry F.
 Taylor, Herbert C.
 Taylor, James A.
 Taylor, Talbot J.
 Taylor, Walter C.
 Taylor, William R. K.
 Tefft, Erastus T.
 Terry, Harry L.
 Thalmann, Ernst.
 Thayer, N. Townsend.
 Thieriot, Charles H.
 Thomas, R. H.
 Thompson, George W.
 Thompson, W. Ledy.
 Thorne, T. W.
 Thurnauer, George B.
 Tillinghast, W. E.
 Timlow, William F.
 Titus, Charles E.
 Tod, William Stewart.
 Toland, E. D.
 Towle, George M.
 Townsley, J. M.
 Townsend, C. W.
 Townsend, James J.
 Townsend, J. Henry.
 Truman, Henry H.
 Turnbull, Arthur.
 Turner, Charles W.

Turner, Coll. J.
 Turner, Wallis S.
 Ulman, Joseph S.
 Underhill, Rawson.
 Untermyer, Milton F.
 Upham, John P.
 Van Antwerp, William C.
 Van Beuran, Michael M.
 Van Boskerck, L. J.
 Van Cortlandt, R. B.
 Van Emburgh, D. B.
 Van Schalck, J. B.
 Vance, William M.
 Vaughan, W. W.
 Vernam, A. H.
 Veit, J. Nelson.
 Vollmer, E. R.
 Vredenburg, Peter, 2d.
 Wadsworth, C. D.
 Wadsworth, W. B.
 Wadsworth, W. J.
 Waggoner, I. H.
 Wagner, Otto.
 Wainwright, James H.
 Walker, E. C.
 Walker, George H.
 Walker, Joseph.
 Walker, Norman S., jr.
 Wallace, John.
 Waller, Robert, jr.
 Walsh, Edward de W.
 Walsh, James W.
 Walsh, Samuel A. jr.
 Walter, T. Henry.
 Ward, Marshall R.
 Ward, Sidney F.
 Wardwell, Henry L.
 Warner, Henry W.
 Washburn, Clifford M.
 Wasserman, Ed.
 Wasserman, J.
 Waterman, E. D. Morgan.
 Watson, Charles F., jr.
 Watson, Louis F.
 Watts, Samuel H.
 Webster, F. G.
 Weeks, James.
 Weekes, Harold H.
 Weidenfeld, Camille.
 Weiler, Charles H.
 Weiss, Henry.
 Wertheim, Henri P.
 West, William.
 Wharton, William F.
 Wheeler, Albert G., jr.
 Whelen, Charles S.

Whicher, Louis E.
 White, Alex. M., jr.
 White, Leonard D.
 White, R. K.
 Whitehouse, Charles A.
 Whitehouse, J. H.
 Whitehouse, William F.
 Whitely, Milton J.
 Whitney, Arthur.
 Whitney, George I.
 Whitney, Gerard N.
 Whitney, Henry N.
 Whitney, Howard F.
 Whitney, Stanton.
 Wilcox, C. H.
 Wilcox, T. Ferdinand.
 Wilder, George H.
 Wiley, W. G.
 Willard, D. S.
 Williams, Blair S.
 Williamson, S. T. S.
 Willis, Reginald S.
 Willstatter, Alfred.
 Wilson, H. S.
 Wilson, James B.
 Wilson, J. Sawyer, jr.
 Wilson, R. T., jr.
 Wilson, Theodore.
 Winslow, Ed D.
 Winslow, F. D.
 Winthrop, Robert D.
 Wisner, William T., 2d.
 Wolf, Louis.
 Wolf, Theodor.
 Wollman, William J.
 Wood, H. Duncan.
 Wood, Willis D.
 Woodlock, Thomas F.
 Woolley, Arthur G.
 Woolsey, George M.
 Worden, J. Lorimer.
 Wormser, Isidor.
 Wormser, Isidor, jr.
 Wormser, Louis W.
 Worral, Richard P.
 Wrenn, John H.
 Wrenn, Robert D.
 Wright, Albert J.
 Wyckoff, Clarence P.
 York, Edwin H.
 Young, A. Murray.
 Young, George W.
 Young, Lewis G.
 Young, T. S., jr.
 Zimmermann, L.
 Zuckerman, Henry.

THE WEALTH AND INFLUENCE OF THESE MEN.

Mr. DAVIS. Mr. President, of the original 24 founders, no one of them was a millionaire, and their combined wealth was less than one-fourth of what it now costs for a hundred seats. The eleven hundred members of the New York Stock Exchange comprise among its numbers the richest men of the world, but it has been said by several writers that many of them are very poor. It takes \$20,000, however, to join, and at this rate per member, the New York Stock Exchange denotes an investment of \$22,000,000. Thirteen of its members, beginning with John D. Rockefeller, are credited with the fabulous wealth of \$1,355,000,000, as estimated in the table of the 51 plutocrats heretofore enumerated by me. The New York Stock Exchange, then, through 13 of its members, represents a wealth of more than \$1,000,000,000, and the other 1,087 members may be safely credited with ten times this amount, or \$13,550,000,000, in all about \$15,000,000,000, or about one-seventh of all the wealth owned by the 90,000,000 people that constitute the United States. This is their estimated actual wealth. The ramifications of the membership of the Stock Exchange with other business enterprises make the influence of the exchange enormously greater. In the first place nearly every one of the members of the exchange is put down as a member of a firm or corporation, so that he represents, not only his own, but the aggregate wealth and interest of the firm or corporation of which he is a part. In addition to this, several hundred of these members are either directors or officers of other corporations or trusts, a fact which seems to give them the controlling influence in financial matters in the United States, an influence eagerly desired by the exchange and an influence which history proclaims has been exercised with very great frequency in the manipulation of prices, the cornering of stocks, the organization and management of panics, and, in fact, the exploitation of every species of stock gambling and stockjobbing known to man. The financial history of the country teems with accounts, not only of the individual wrecks caused by the New York Stock Exchange, but also of the cyclonic panics which have endangered the political and industrial fabric of our country. It is useless to enumerate these, as they are the common knowledge of all intelligent men. Such an influence can only be originated in a body whose wealth and influence is so great as to insure the success of its plans, whether right or wrong.

For instance, William Rockefeller is credited with an individual wealth of \$100,000,000; he is also a member of the most gigantic corporation in the world—the Standard Oil trust; he is a director of the Lake Shore and Michigan Southern Railroad, whose capital stock is \$50,000,000, and which owns \$92,000,000 of stocks and bonds in 45 subsidiary companies of the Lake Shore and Michigan Southern; he is also a director of the Michigan Central, the New York, Chicago and St. Louis Railroad, and the Pittsburgh and Lake Erie Railroad, whose aggregate capital is about \$33,000,000 and whose aggregate mileage is about 2,500 miles; he is also a director of the New York, New Haven and Hartford Railroad, with a capital of \$100,000,000 and mileage of 3,500 miles, controlling 34 constituent companies; he is also a director of the Delaware and Lackawanna Railroad, with a capital of \$26,000,000; also a director of the New York Central Railroad, with a capital of \$180,000,000, and operating 12,000 miles of road. This road owned stocks or bonds on December 31, 1906, amounting to \$147,000,000 in 75 constituent lines. The influence of this man alone, when interested in the manipulation of the prices of transportation in the United States, is enormous and becomes simply fabulous when united with the interests of other corporation magnates and trust sharks who desire to rob the public by bankrupting smaller and competing roads.

J. Pierpont Morgan is not a member of the Stock Exchange, but his son, J. Pierpont Morgan, jr., of the firm of J. P. Morgan & Co., represents the firm in the Stock Exchange. J. P. Morgan is a director in all the roads of which William Rockefeller is a director, with the exception of the Delaware and Lackawanna. To make up for this, he is a director of the Northern Pacific Railroad, with its 6,000 miles of road and \$155,000,000 of capital.

H. H. Rogers is not a member of the Stock Exchange, but is a member of the Consolidated Stock and Petroleum Exchange. He is a director, also, of the Atchison, Topeka and Santa Fe Railroad, with a capital of \$382,000,000; also a director of the Chicago, Milwaukee and St. Paul Railroad, of 10,000 miles and a capital of \$50,000,000; and he is also a director of the United States Steel Corporation and many other corporations and trusts.

August Belmont is a member of the exchange, representing himself and the combined Belmont interests. He is a director of the Louisville and Nashville Railroad, with its \$60,000,000 capital and controlling about 7,000 miles of road, besides representing scores of other corporations and trusts in the same capacity.

E. H. Harriman is a member of the exchange; a director of the Baltimore and Ohio, with its capital of \$212,750,000 and operating 4,500 miles of road; also a director of the Chicago and Alton Railroad, with its \$40,000,000 capital; also of the Erie Railroad Company, with its \$217,000,000 capital; also of the Illinois Central, with \$105,000,000 capital, and at the same time of the Union Pacific, made up of the Union Pacific, the Southern Pacific, and the Leavenworth, Kansas and Western railroads, operating 15,000 miles of road, with a combined capital of \$396,000,000.

George J. Gould is a member of the exchange and a director of the Denver and Rio Grande Railroad, with a capital of \$88,000,000; also a director of the International and Great Northern Railroad, with a capital of \$25,000,000; also of the Missouri Pacific Railroad, with a capital of \$150,000,000, including the St. Louis, Iron Mountain and Southern; also of the Texas Pacific Railroad, with a capital of \$50,000,000.

Others of the stock exchange membership are either officers or directors of other railroads throughout the country, and their combined influence in the exchange makes it possible to murder or maim any small railroad in the country at pleasure, as the various demands of stock gambling in the exchange may require. In this way not only the stocks and bonds of the smaller railroads of the country are placed at the mercy of the stock gamblers and robbers of the exchange, but the transportation of the whole country injuriously affected.

Not only does this membership of the exchange manipulate the question of transportation and transportation charges in its own interests and against the interests of the people, but it also exercises a tremendous influence on the telegraphic and telephonic connection of the country. On the directorate of the Western Union Telegraph Company, in bold relief, you will find the names of George J. Gould, J. P. Morgan, and E. H. Harriman. On the directorate of the United States Steel Corporation you will find the names of J. P. Morgan, John D. Rockefeller, jr., and H. H. Rogers. The names of these eleven hundred men, or at least the names of those representing its greatest wealth, may be found as officers and directors of iron trusts, steel trusts, lumber trusts, paper trusts, leather trusts, and all and every

species of trusts known to mankind, besides being intimately connected with corporations allied to trusts and to corporations not so allied. They are officers and directors of the great national banks of their country and can manipulate a money panic whenever their greed demands. The Stock Exchange has its legitimate function, but stock jobbing and stock gambling form no part of this function.

There are economical writers who so far prostitute their talents under the seductive influence of corporation gold as to claim that there is no stock gambling and no stock jobbing in the New York Stock Exchange or the various other exchanges of the country. There are other economic writers who, under the same pay, admit what can not be denied, that a very large portion, in fact the greatest part, of the business of all of the exchanges is gambling pure and simple, but justify it on the ground of its necessity. Almost every great newspaper of the country keeps an editor, reporter, or correspondent at headquarters in Wall street ostensibly to keep the people informed as to the news, but really, under the pay of corporations, to gloss over the knavery of exchange transactions and to write stilted reviews of exchange dishonesty and fraud.

In the Washington Post of December 29 1908, one of these "financial owls" had the following to say:

Ten points down and 10 points up—that is the record of Union Pacific performance in the last two weeks. On Monday, December 14, the stock sold at 184½, practically the highest of the year. A week later, on Monday, December 21, it fell to 174½. To-day it got up again to the starting point and a fraction beyond. Naturally many persons are asking who engineered the shake out. Even the most experienced operator is forced to admit it was clever, and if, following that, he said things that were not complimentary, it was because he had been bumped.

There is not a word in the article concerning the morality or legality of the transaction; on the contrary, the whole article is a silent tribute to the masterly rascality of the members of the close corporation, the New York Stock Exchange. I would like to ask any person who believes that there is no gambling in the exchanges of the country a simple question. By what right, moral or legal, does any man sell the stocks or bonds of a corporation in which he owns no share of stock, nor in the sale of which does he propose to buy in order to comply with the terms of sale? By what authority does any man sell stocks or bonds in a corporation which he does not own and which he does not propose to buy in order to make a delivery? I know that the rules of the New York Stock Exchange require a delivery in order to make the transaction show some shade of honesty. I also know that the very largest proportion of these transactions carry no real delivery—stocks are borrowed to meet the demands of the exchange rule, profits pocketed, and the stocks returned without a semblance of ownership in them, save that which is necessary to cover a gambling deal.

So notorious was this gambling device, "borrowing to perfect a gambling deal," that the legislature of New York was asked to make an investigation. This virtuous body, consorting with race-track gamblers of that State, refused to make the investigation. The governor of that Commonwealth, however, smarting under the charges made against the New York Stock Exchange with reference to the panic of 1907, and to keep a consistent record with himself as to all forms of gambling, Wall street, as well as race tracks, felt it incumbent upon him to make an investigation notwithstanding the failure of the legislature to authorize it. To his credit be it said that he has found competent men who are willing to serve without pay to act as a committee of investigation, and despite the handicap of such an investigation, it is to be hoped that this committee will ascertain who engineered the shakedown in the case of the Union Pacific of December, 1908, the greater shakedown of March, 1907, and the thousands of other shakedowns that go on day by day under the sanctity of the New York Stock Exchange.

In 1707, more than two hundred years ago, a great writer in London, in a remarkable pamphlet, attacked the London Stock Exchange as a band of thieves and robbers, and held that it was high treason against the Kingdom of England to be a member of that body. He argued and proved that every panic known to English history owed its origin to the thieves and robbers who made up the London Stock Exchange.

In 1871, J. F. Richmond, for years city missionary of the city of New York, and who has written a splendid little book on early life in New York City, has this to say of the New York Stock Exchange:

The board of brokers claims to be composed of honest and honorable men only. Besides this board there are various other specific boards of all kinds of speculators—stock brokers, gold brokers, oil brokers, and cliques—uniting and resolving as occasion may offer opportunities of gain to ambitious and unscrupulous men. Among these originate the gold scrambles, the railroad wars, the raids on the banks, and other

panics which crowd the streets with well-dressed but frenzied men, some flushed and violent, some pale and staggering, turning prematurely gray over the wreck of their earthly hopes.

I might multiply these quotations indefinitely, but this one covers the whole case. The laws of all States are severe in penalty as to pure gambling, which has led a noted writer, in a book quoted by Charles A. Conant, to use the following language:

If, instead of betting on something so small as falling dice, one bets on the rise and fall of stocks or on the price which wheat will reach some months hence, and if by such betting one corners the community in an article essential to its welfare, throwing a continent into confusion, the law will not pay the slightest attention. A gambling house for these larger purposes may be built conspicuously in any city, the sign "Stock Exchange" be set over its door, influential men appointed its officers, and the law will protect them as it does the churches. How infamous to forbid gambling on a small scale and almost encourage it on a large.

Charles A. Conant answered, or attempted to answer, it in the *Atlantic Monthly* for April, 1903. He admitted, frankly and purposely, that betting on the rise and fall of stocks as carried on in the New York Stock Exchange was gambling, but that it was nevertheless true that betting on the fall of a dice was wrong, while betting on the fall of a stock was right. This shrewd economist justified the righteousness of stock gambling on the basis of its necessity. That such gambling entered into the business relations of the entire country and could not be disassociated therefrom without a revolution, which would bring universal disaster. He argued further that there was no pure betting in the New York Stock Exchange, while admitting that a large part of the transactions partook of the nature of gambling. In other words, he differentiated gambling into two forms, pure and mixed. Pure betting, he said, was done in bucket shops, admitted that it was of no use to the community, and charged that it was destructive to the morals and pockets of young men, and argued that it could not be too highly censured.

Right here Charles A. Conant aligns himself with me, our difference being that what he calls the "mixed gambling" of the exchanges is nothing but bucket-shop gambling, and my bill seeks to drive out this form of unrighteous speculation from the exchanges of the country dealing in the products of the soil. We are all opposed to an open bucket shop, and we should be opposed to the same bucket shop disguised as an influential stock exchange. For I hold, and I think it can not be successfully denied, that every bet on the rise or fall of stock where no delivery is made or intended to be made or even thought of, except as borrowing enables the gambler to seemle righteousness, is nothing but a pure bet, nothing but a bucket-shop transaction.

In all speculation there is, first, the actual investor; he buys for two purposes, the interest and the probable rise, and exacts a delivery of the stock. This is not gambling, and my bill does not propose to interfere with it. This is honest business, honestly conducted, and deserves no reprimand at my hands. There is, second, the semi-investor, who buys on a wide percentage of margin, but keeps an eye to the interest and exacts an actual delivery. This man is something of a shark, but I can not say that my bill seeks to limit his sphere of operation. Then there is the margin investor, who pays no regard to the interest of the stock, does not intend to exact a delivery, except so far as the rules demand a delivery, and which will be met by borrowing—one who buys and sells purely upon the possible rising and falling of the stock, looking to this rise or fall for his profit. This is pure betting, pure bucket-shop dealing, and the New York Stock Exchange and other exchanges show a far greater number of deals of this kind than of the two others combined. It is this phase of exchange operations that has induced so many plutocrats to join the New York Stock Exchange.

McConihe & Co., of New York, in their little book issued in 1906, used these words:

Of recent years, however, and since the country at large has grown enormously rich, there has arisen a set of what might be called "millionaire speculators." They have more surplus money than they need to live upon and are men of big ideas. They like quick results on their transactions, and in no other form can they obtain them so readily as through the purchase and sale of stocks. These men will buy or sell thousands of shares at a time and have recently become one of the biggest factors in the market.

These are the millionaire gamblers, the colossal bucket-shop bettors of the exchanges, who are lauded to the skies by subsidized literary men, while the little nigger shooting craps is picked up and sent to jail.

I know that it is difficult to draw with exactness the line between bona fide business and business gambling, but at the same time it is not difficult to define the thousands of gambling

devices that go unchecked under the cover of the sanctity of the New York Stock Exchange. Arthur Crump, in his "Theory of Stock Exchange Speculation," says:

Because it is difficult for governments to define in stock-exchange gambling where bona fide business ends and the gambling begins, the most injurious of all the games of chance is played year after year upon an increasing scale.

Because of the difficulty we, as legislators, are not to be excused if we permit these most injurious games of chance to be played year after year, and I think that a careful study of my bill will disclose a remedy for the wrong; and I believe that if it shall be enacted it will at once put a curb to the disgraceful and disastrous gambling features of the New York Cotton Exchange and the other exchanges of the country. It is almost universally admitted that gambling of the worst kind goes on under cover of these exchanges, and it is our duty, as I see it, so far as we have the power, to minimize its ferocity, even though we may not be able to entirely destroy its frenzy.

A careful analysis of this abstract, Mr. President, will show that 13 members of the New York Stock Exchange are accredited with a wealth of more than \$1,300,000,000, and the other 1,087 members may be safely estimated at ten times this amount, or \$13,550,000,000; in all, about \$15,000,000,000, or 7 per cent of the entire wealth of the 90,000,000 people that constitute this United States. Add to that, sir, the wealth of the membership of the New York Cotton Exchange and you have a sum that equals at least 15 per cent of the entire wealth of this Nation; add to this the wealth of the men directly and indirectly associated and affiliated in business relations with these two great exchanges and you have 51 men whose wealth equals 35 per cent of the entire wealth of the United States, and 4,051 men whose wealth equals 87½ per cent of the entire wealth of the Government, a list of which was given by me in a speech delivered on December 11, 1907. Seeing, Mr. President, this great combination of wealth of these two great gambling institutions and their allied forces, that control 87½ per cent of the wealth of this entire Nation, is it a wonder that the committee of this Senate, headed by Senator George, found that the New York Cotton Exchange, one of the tentacles of this great octopus, had built up an oligarchy of wealth that held subject to its will the chief product of 10 of the sovereign States of this Republic. Not only so, Mr. President, but this combined force of gamblers can murder and stifle competition, can bring about a panic at will in the money markets of the country, can cause stagnation in business at will, and thus reap golden harvests by means of their illegal transactions.

The bill which I here present, and for which I bespeak the careful consideration of the Senate, is directed at the lesser of these two great evils and is intended to so cripple it and so destroy its power of communication with its patrons that its evil effect may be destroyed. Gentlemen of the Senate, can there be any wrong in this bill? In your own hearts and consciences answer me the question, Ought not this great gambling institution to be destroyed? It may be said that the penalties of this act are too severe. I think not, Mr. President. If a postal official, knowing the illegal character of a letter that is being transmitted through the mails, fails to arrest it and place it in the hands of the proper official, he shall be fined not less than \$100 nor more than \$5,000; shall be removed from office and not allowed to again hold an office of profit or trust under the Government. If the ordinary individual shall violate the provisions of this act by sending a letter or by using the telegraph or the telephone for the purpose of engaging in this illegal transaction, he shall be adjudged guilty of a felony and, upon conviction, sentenced to imprisonment in the penitentiary for not less than five nor more than fifteen years. If a corporation running one of these gambling institutions or owning a telegraph or telephone system shall be guilty of violating any of the provisions of this act, they shall be fined in any sum not less than \$10,000 nor more than \$100,000, one-half of which shall be paid to the informant.

Ah, Mr. President, if we would destroy this evil we must lay the ax at its very root; we must, by penalties sufficiently severe, dig it up root and branch and make a participation in this gambling transaction so hazardous, indeed, that none will dare to risk the penalties of this statute. Mr. President, the suppression of this great evil and the consequent crippling of the New York Stock Exchange means not only a relief for the Southland, but for the great West as well. Ah, it means more than this, Mr. President; it means a brighter day for this Republic, and renewed hopes for our toiling people. Let us for a moment consider the condition of our Government to-day. It may be repetition, Mr. President, but I say it without fear of successful contradiction, that the money power of the country has so tightened its grasp upon the arteries of trade and

commerce, has so stifled competition that the Government itself is upon its knees to-day begging quarter at their hands. What is the wealth of this Government, Mr. President, and of what is it composed? I submit, sir, a table taken from government statistics showing the wealth of this Government, which I ask to have printed in my remarks without reading.

The VICE-PRESIDENT. If there be no objection, permission is granted.

The matter referred to is as follows:

Forms of wealth.

	1904.
Real property and improvements, taxed.....	\$55,510,247,564
Real property and improvements, exempt.....	6,831,244,570
Railroads and their equipment.....	11,244,752,000
Street railways.....	2,219,966,000
Telegraph systems.....	227,400,000
Telephone systems.....	585,840,000
Pullman and private cars.....	123,000,000
Shipping and canals.....	846,489,804
Privately owned waterworks.....	275,000,000
Privately owned central electric light and power stations.....	562,851,105
Live stock.....	4,073,791,736
Farm implements and machinery.....	844,989,863
Manufacturing machinery, tools, and implements.....	3,297,754,180
Agricultural products.....	1,899,379,652
Manufactured products.....	7,409,291,608
Imported merchandise.....	495,543,685
Mining products.....	408,066,787
Gold and silver coin and bullion.....	1,998,603,303
Clothing and personal adornment.....	2,500,000,000
Furniture, carriages, and kindred property.....	5,750,000,000
Total.....	107,104,211,917

Mr. DAVIS. This table, sir, shows in round numbers that the wealth of this Government is \$107,000,000,000. How is this wealth divided? How is it distributed among the 90,000,000 people of this Republic? As has been shown by me upon a former occasion, 51 men, all of whom are directly or indirectly connected with these two great gambling institutions, own 35 per cent of this wealth, and 4,000 other men, who own not as much as twenty millions in wealth, but more than one million, added to the 51 men and their holdings, makes the alarming showing that 4,051 men own 87½ per cent of the entire wealth of this Government. How did this condition occur, Mr. President? How was it brought about? There is a reason for it. Nothing ever happened in this world but that behind it is a prompting and promoting cause, and as I see it to-day the cause of this great concentration of wealth lies chiefly along these lines. Our people, sir, as a whole—North, South, East, and West—were more prosperous and happy just subsequent to the great civil war than now. It is true that the Southland, from which I hail, in this great conflict had been laid waste and made barren; our homes had been destroyed, our fortunes had been dissipated; but the confederate soldier, as brave and as true and as gentle as ever lived upon God's green footstool, returned to his desolated home, and with a bravery and chivalry unequalled in modern history, that challenged at once the wonder and admiration of the world, set about to restore his fallen fortune, and how well he has succeeded history itself may repeat.

But the people of this entire Government, I contend, were more prosperous, taken as a whole, just subsequent to the civil war than they are to-day. We had few tramps then. The millionaires of this Government, Mr. President, at that time might be numbered upon my one hand. The people, as a rule, were prosperous, contented, and happy. They naturally were divided into two great classes, working in two different fields of industry. The one class, upon my right, the larger class numerically, set about to work in the fields of human endeavor, the fields of human enterprise. Every implement of human industry that could be contrived was brought into play whereby this great army of industrial workers might earn bread, as God commanded, in the sweat of their faces. They worked in the fields, they worked in the shops, they worked in the mines, they worked behind the counters, they did everything whereby an honest penny might be turned for the support of themselves and those dependent upon them. The other crowd, upon my left, smaller in number, viewing the situation from a human standpoint of selfishness, from a standpoint of greed and avarice, chose to work in other fields, the field of legislation. They sought, Mr. President, to gain public favor, to secure blessings and benefit through the legislative branch of this Government not enjoyed by the toilers in the fields of human endeavor. What has been the result? In your mind view the two crowds to-day. See the workers in the fields of human industry; see how their backs are bended beneath the burdens of government; see how their breasts and arms are bared to the heat and burden of the day; see how they toil and sweat. On the other hand, view the crowd that has chosen to work the fields of legislation. They toiled not, neither did they spin, yet Solomon in all his glory was not arrayed like one of these.

This crowd working in the field of legislation first came to the Government, I shall not say directly or by improper influences, and they asked of the Government a great benefit, a great blessing, that was not enjoyed by the other crowd working the fields of human endeavor. They asked, Mr. President, to be permitted to issue the money of the country. In my imagination I can hear the servants of the people, the Congress of the United States, denying this request. I can hear the reply that this is in direct violation of the Constitution of the United States, which provides that Congress alone shall have power to coin money and regulate the value thereof, but by importunities, sir, by continued asking, the Government finally yielded, and in June, 1864, the Government of the United States turned over to this crowd, working the fields of legislation, the most important function of the Government—that is, the power to issue the money of the country. To the national banks was surrendered this important function, and from time to time they have issued sums varying in amount, but there is outstanding to-day money issued contrary to the Constitution, an amount equal to \$700,000,000. Mr. President, why was this blessing asked by the crowd working the fields of legislation? Because they knew the power of money; they knew its controlling influences; they knew that if they could get a corner on this important function of the Government they themselves could control the Government. Well did they know that money is the blood of commerce; that this blood must circulate freely from the center to the extremities and back again in a free and healthy circulation, if a healthy body politic should obtain. Looking far into the future, knowing the power that money would give to them, and a still greater power by controlling the circulating medium of the country, they asked and obtained this great benefit from the Government of the United States.

Ah, Mr. President, it would seem that this blessing, that this benefit thus acquired by them, as against their brethren that worked the fields of human industry, ought to have satisfied this crowd that worked the fields of legislation; but, sir, human experience has taught, the history of all republics that have gone the ways of the world, have fully demonstrated that it is difficult to satisfy the maw of greed and avarice; so this crowd, working the fields of legislation, desired a still further and a closer corner upon the blood of commerce and the money of the land; they turned again to the Government and said: "Mr. Government, give us yet another blessing, give us yet another favor, not enjoyed by the toilers of the earth. Place a tax on all state banks that are empowered to issue money; place a tax of 10 per cent thereon. This will drive these little banks out of the money-issuing business and will give us yet a tighter grasp on the control of the money of this Government." Ah, Mr. President, in February, 1875, Congress acceded to their wish; taxed out of existence the little state banks that were in competition with this crowd that worked the fields of legislation. This, it seems, sir, should have satisfied this crowd, but it did not do so. They again returned to the Government and they said: "Mr. Government, we want yet a closer corner on money; we want yet a closer corner upon the wealth of this land. We ask that you retire the greenbacks of the country, that they may no longer be a circulating medium among this crowd that works the fields of human endeavor." In my imagination I can hear the voice of Congress when it said: "No; this shall not be done. Greenbacks—it is the money of the plain common people of the land; it is the money of the laborer and wage-earner; it is the money of this crowd that work the fields of human endeavor; it shall not be retired; it shall be left to them as their money." But the crowd working the field of legislation, still persistent, procured an act passed by Congress in January, 1875, withdrawing the money of the people from circulation. While it is insisted that three hundred millions of this money is in circulation to-day, yet, sir, I appeal to the American people, I appeal to the workmen in the fields of human endeavor, to say to me whether or not this is true.

Ah, Mr. President, it would seem that this crowd, working the field of legislation, having acquired so many benefits, so many advantages, might at this point stay their hand and the further withering, blighting influence of their ill-gotten gains, but not so. I shall not, Mr. President, attempt from memory to give these events in chronological order, but they again return to the Government and say: "Mr. Government, give us another benefit, give us another blessing, give us another advantage not enjoyed by the crowd working the fields of human endeavor. We ask that silver be struck down; we ask that silver be demonetized; we ask that gold be made the money of final redemption, and that silver be made redeemable in gold." No one was found bold enough, Mr. President, to attempt this great atrocity; no one was found bold enough to place upon record a measure that would bring about this diabolical and dastardly crime, bearing his name, or assume its authorship; but, like a thief in the night,

with cat-like tread, the measure was slipped through the Congress of the United States under a false pretext, under a false guise, striking down the money of the laborer, striking down the money of the wage-earner, striking down the money of the crowd that works the field of human endeavor, striking down the money of the Constitution, giving to the crowd that work the field of legislation yet a closer grasp, yet a tighter corner on the great volume of the money of the land, a closer corner on the blood of commerce. Ah, Mr. President, with these advantages, with these benefits not enjoyed by their brethren in the field of human endeavor, is it a matter of astonishment, is it a matter of wonder that to-day 51 men own 35 per cent of the entire wealth of this Nation, and 4,051 men own 87½ per cent, and the average American citizen, the average man among the remaining 89,000,000 people, owns less than \$500 in property valuation?

Ah, Mr. President, when will this crowd of cormorants, this crowd of avaricious thieves and gamblers reach out their long, bony fingers to grasp the remaining 12½ per cent of the wealth of this Nation? Just when they feel so secure in their position that they think the American people will stand it. Ah, Mr. President, it would seem that this should have satisfied this crowd working the field of legislation; but not so. They again return to the Government and, having grown strong and bold, on July 24, 1897, they demand of the Government that they be permitted to tax every article consumed by the crowd working the field of human endeavor. In my imagination I can hear the Government say that already this crowd is laden with burdens grievous to be borne, and if further burdens are placed upon them it must be so disguised that they will not understand it, that they will not appreciate it. This crowd of despoilers working the field of legislation reply: Let us so sugar coat it, so capsule it as that they will not understand it. We will place a tax ostensibly only upon foreign-made articles brought into this country for consumption. Certainly no objection can be raised to this, and we will do this under the guise and specious pretext that it is for the purpose of protecting American labor employed in the factories of the East and North. The Dingley bill was passed; a tax was laid upon the consumers of the land, upon the toilers, upon the shoulders of the men who are the foundation and support of the Government itself.

Mr. President, I pause for the purpose of saying that if the tax of the people of this Government, paid not for the purpose of revenue, but to enrich the coffers of this crowd that work the field of legislation, were paid directly, like our state and county taxes are paid, to the sheriffs, the American people would not stand it for twenty-four hours. There would be such a revolution in this country as would shake it from center to circumference; but under this pretext that this burden was laid for the purpose of helping the American laborer and to support the Government, the crowd that works the field of human endeavor, long-suffering and patient, have thus far borne this burden. How does this tax, Mr. President, make the rich richer and the poor poorer? Is it a tax only upon imported article? I say "No," most positively, "No." The American manufacturer is permitted, under this form of legislation, to charge for an American product a price just a little lower than the foreign article with the tax added, and thereby reap not only a wholesome profit but the benefit of the tax as well; and if this did, in fact, help the laborers of the East and North, it might, in a sense, be justified, because God commands that we bear one another's burdens; but, sir, I deny that it benefits the laborer. In 1907 the farmers of the South and West were fairly prosperous, the god of the harvest had blessed them with bountiful crops, their barns were full, their stores laid in for the winter, the little country merchant had bought his goods for the coming season, his credit was fairly good, the local banks throughout the South and West were reasonably prosperous, and their money was scattered from the home bank to the great money centers of New York to cover their bills of exchange. Everything was moving along in its usual normal condition, but the South and West awoke one morning in the fall of 1907 to find itself in the cold, merciless grasp of one of the most terrible panics that had ever occurred in this country.

This panic, Mr. President, was organized on less than 5 acres of ground in New York, where these two gigantic gambling institutions ply their wicked vocations. If I am told that this tax laid upon the crowd that works the field of human endeavor is for the benefit of the laboring man of the North and East, I ask you to go with me to the great cities and there inspect the great army of the unemployed as it marches with sober, grum, threatening mien in full review; go with me to New York, if you please, stand with me on the Brooklyn Bridge at the close of the day and see the great throng of humanity as it surges across that great thoroughfare; see the little children that ought to

be in school or around their mother's knee coming grimy and dirty from the sweatshop; see the poor mother with babe in her arms, who has been trudging the streets all day begging for bread, going to her hovel of squalid poverty and want; see the laboring men out of employment, with desperation written upon their faces, returning empty-handed to their helpless, dependent families; go to the homes of the poor, go to the homes of the unemployed, go to this great army that is marching up and down the land to-day begging not for bread, not for a hand-out at your back door, but an opportunity to work, for an opportunity to earn their bread as God commanded, in the sweat of their face; for an opportunity to run the race of life freely, unshackled, and unhindered; and tell me, if you will, that this tax has brought blessings to the laboring man of the North and the East.

Ah, Mr. President, this oligarchy of wealth, builded by legislation, and legislation alone, has reduced to almost serfdom the laborers of this section of our country. They have reached that point in the history of the laboring world that they can say to this man, "Go," and he goeth; and to another, "Come," and he cometh. They dare not resist their master's will; and not satisfied with their power there, they are yet conspiring to subjugate the laborers of the South and the West and to bring them under the yoke of their bondage by means of advantages gained in working the field of legislation. Ah, Mr. President, this is a dark picture. I know not what the result may be. For the past twelve months the country has been regaled with an exhaustive and learned argument as to whether or not the President of the United States had the right to discharge a lot of kinky-headed niggers from the army, who, in a drunken riot, shot up a helpless and defenseless people. And more recently we have been urged to increase the salary of all our public officials, that they might more closely imitate royalty.

We stand to-day face to face with a deficit in our Public Treasury of \$150,000,000. Our Government is bankrupt, yet we are appropriating the money of the people at the rate of perhaps a million dollars an hour. The majority in Congress seem to be drunk on the wine of success. They fiddle and dance and make merry while Rome burns. I say to you, Mr. President, that it is time we were calling a halt, and that the Congress of the United States legislate for a little while in the interest of "Old Man People." He is a good old man, bowed and bent with years; venerable, with long, flowing beard. You have each met him. Simple and confiding, trustful and hopeful, he looks to this Congress for some relief, and I ask the Senators here to lend an attentive ear to his demands before it is everlastingly too late.

Mr. President, to what extremes will this oligarchy of wealth go in their desperation and madness? It can be best illustrated by a brief study of ancient history. One of the greatest reformers that lived in ancient times was Julius Caesar. He loved the poor people of Rome, and when he returned from the wars of foreign conquests, laden with rich treasure, he found great throngs of poor people in the streets of Rome feeding from the public coffers. Did he use this treasure, Mr. President, in riotous living, in great feasts and entertainments? No; he commanded that the rich land along the Tiber be bought with public funds, divided into small tracts and given to the people that they might earn their bread in the sweat of their face. Caesar found that a conspiracy against the poor had been formed by Brutus, Cassius, and Casca, and the Roman nobility. He found that they were lending money at the ruinous interest of 49 per cent; he found that the rich were hoarding their wealth and that money, the blood of commerce, was not circulating freely among the people. Caesar's will was law, and he said to this crowd of conspirators by legislation, "You shall not charge a greater rate of interest than 12½ per cent for the use of your money, and shall not lend a greater sum than one-half the amount you have invested in property; you shall not hoard more than \$3,000. If you do you shall be subjected to the heavy penalties of the law." Would to God we had Caesar in the White House to-day! This enraged the conspirators, the Roman Senate, and when Caesar, upon that fateful day, walked into their midst believing that he was among his friends, surrounded by the treachery of the money power, twenty-three knife wounds pierced his body, and when he saw the blade of Brutus his trusted friend, raised high in air, he drew the mantle of his cloak about his face and in his dying breath exclaimed, "And thou, too, Brutus!" and fell dead at the feet of the statue of Pompey. This, sir, is a brief history of Rome and its great reformer, illustrating the terrible fate that lies in the path of any man who seeks to shake loose from the throat of this Government these parasites of wealth, these stock gamblers, these stock jobbers that attempt to control the destinies of the Government.

Ah, Mr. President, the money power may be pressing the

American people too far. In some evil hour, in some unguarded moment, a match may be touched to the fuse that connects with the hidden mine of discontent and dismay that is planted beneath this Republic, and I shudder for the consequences.

I read a little story in a New York paper recently, illustrating aptly, I think, the recklessness and wanton disregard of the people's rights by the money power of the Government. It is said that a beautiful Italian girl with considerable property married one of her countrymen, believing that he was all that her young heart had pictured him to be. Soon she discovered that he was addicted to that terrible vice, the liquor habit. Their home soon became a drunkard's home, her property was squandered, poverty in all of its hideous forms knocked at their door, until finally she was compelled to go out and earn a living for her drunken husband. She was finally brought into court and tried, and to the judge she said:

Judge, he finally suggested that I sell myself for his support; he pressed me too far, Judge, and I killed him.

Ah, Mr. President, the money power of this Government is treading upon dangerous ground. They do not know, or else they do not care, that the people are already ground down with taxation and the weight of Government until their backs are almost broken beneath its load. They do not seem to appreciate the fact that in his power and strength "Old Man People" may rise and smite them. I would not be an alarmist, sir, but I predict here and now that unless conditions change, that unless the Congress of the United States turns a listening ear to the lamentations of an outraged public, that within ten years there may be another Shenandoah Valley, there may be another Gettysburg; the red broom of war may sweep this Government as it has never been swept before, and when that day shall break in all its fury, woe to the crowd working the field of legislation that have laid these grievous burdens upon the backs of the crowd working the field of human endeavor.

Mr. President, we of the South make but a simple request; we ask only the passage of a law that will protect the products of our soil; we ask a law that will stay the ruthless hand of the gambler, and give to the men and women of the South a just return for their labor and toil.

And to this end, sir, I submit the bill under consideration, and ask that it be referred to the Committee on Agriculture and Forestry.

The VICE-PRESIDENT. The bill will be so referred.

During the delivery of Mr. DAVIS's speech,

The VICE-PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by the Secretary.

The SECRETARY. A bill (S. 6484) to establish postal savings banks for depositing savings at interest, with the security of the Government for repayment thereof, and for other purposes.

Mr. WARREN. I do not see the Senator in charge of the bill present, but I am sure that he would wish to lay it aside temporarily so that the Senator from Arkansas may proceed with his remarks. I make that request.

The VICE-PRESIDENT. The Senator from Wyoming asks unanimous consent that the unfinished business be temporarily laid aside. Without objection, it is so ordered, and the Senator from Arkansas will proceed.

Mr. DAVIS. I am grateful to the Senator from Wyoming. I promise that I shall consume but a few more moments of the Senate's time.

At the conclusion of Mr. DAVIS's speech,

INDIAN SCHOOL AT MORRIS, MINN.

Mr. CLAPP. I ask unanimous consent for the present consideration of the bill (S. 7472) transferring the Indian school at Morris, Minn., to the State of Minnesota for an agricultural school.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Indian Affairs with amendments, on page 5, line 10, after the words "by a," to strike out the words "bill or joint resolution," and insert "legislative act;" in line 13, after the word "act," to strike out "or joint resolution;" in line 16, after the word "act," to strike out "or joint resolution;" and in line 21, after the word "act," to strike out "or joint resolution," so as to make the clause read:

Provided further, That this grant shall be effective on July 1, 1909, if before that date the State of Minnesota, by its legislature, shall, by a legislative act, accept the terms of this grant, and in said event the said State of Minnesota shall file with the Secretary of the Interior a certified copy of said act, whereupon this grant shall take effect without further act; and the indorsement of the Secretary of the Interior upon a certified copy of said act of the legislature of the State of Minnesota, showing the date of the filing thereof with the said Secretary of the Interior, and showing said date to be prior to July 1, 1909, shall be competent proof in all courts of record of the filing of such certified copy of such act.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DONATION OF CONDEMNED CANNON TO MARSHALL COUNTY, W. VA.

Mr. SCOTT. I ask unanimous consent for the present consideration of the bill (H. R. 24151) to authorize the Secretary of War to donate two condemned brass or bronze cannon or field pieces and cannon balls to the county court of Marshall County, W. Va.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 11, after the word "That," to strike out the words "the articles of ordnance property furnished under the foregoing provisions of this act shall not be required to be accounted for to the Chief of Ordnance and;" and on page 2, line 4, after the word "in," to strike out the words "the delivery of the same" and insert "connection with the donation of the above-mentioned articles or ordnance property," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to donate to the county court of Marshall County, W. Va., two condemned brass or bronze cannon or field pieces, with a suitable outfit of cannon balls, which may not be needed in the service, the same to be placed about a monument in honor of the soldiers from that county who served in the civil war, erected on the court-house grounds of said county, and for which the said county court are trustees: *Provided,* That no expense shall be incurred by the United States in connection with the donation of the above-mentioned articles of ordnance property.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DEMETRIO CASTILLO, JR., OF CUBA.

Mr. WARREN. I ask unanimous consent for the present consideration of the joint resolution (S. R. 108) authorizing the Secretary of War to receive for instruction at the Military Academy at West Point Mr. Demetrio Castillo, jr., of Cuba. It is a very short joint resolution, and it is very important that it should be passed at this time.

The VICE-PRESIDENT. The Senator from Wyoming asks unanimous consent for the present consideration of the joint resolution named by him. Is there objection?

Mr. FULTON. I do not care to object to the consideration of the joint resolution, but I simply wish to say that, after it is disposed of, I shall call up the regular order, which is the omnibus claims bill.

By unanimous consent, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution. It authorizes the Secretary of War to permit Demetrio Castillo, jr., of Cuba, to receive instruction at the Military Academy at West Point, but no expense shall be caused to the United States thereby, and the provisions of sections 1320 and 1321 of the Revised Statutes shall be suspended for this purpose.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

POSTAL SAVINGS BANKS.

Mr. FULTON. I now understand that the Senator from Montana [Mr. CARTER] wishes to have the unfinished business taken up. I did not understand that when I made the announcement I made a few moments ago.

Mr. CARTER. It is my desire that the unfinished business be laid before the Senate for the purpose of permitting the Senator from Iowa [Mr. CUMMINS] to present an amendment and to submit some remarks on the bill.

The VICE-PRESIDENT. The Chair lays before the Senate the unfinished business.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 6484) to establish postal savings banks for depositing savings at interest with the security of the Government for repayment thereof, and for other purposes.

The VICE-PRESIDENT. The pending question is on the amendment proposed by the Senator from Iowa [Mr. CUMMINS].

Mr. CUMMINS. Mr. President, with the consent of the Senate, I desire to modify the amendment that I have heretofore proposed by adding, in line 8, page 1, after the word "village," the words "ratably according to their capital."

The VICE-PRESIDENT. The Senator from Iowa modifies his amendment. The modification will be stated.

The SECRETARY. At the end of line 8, on page 1 of the amendment, after the word "village," it is proposed to insert "ratably according to their capital," so as to read:

SEC. 10. That the Postmaster-General shall, as herein provided, deposit postal savings depository funds received at the post-office in any city, town, or village in the bank or banks organized under the national law or a state or territorial law and doing business in such city, town, or village, ratably according to their capital; and if in any such city, town, or village there be no such bank, or if the funds have been received at a post-office not within a city, town, or village, then in the nearest bank or banks in the State or Territory: *Provided, however*, That no depository funds shall be deposited in any bank organized under a state or territorial law unless the laws of the State or Territory in which it is located require public supervision and examination: *And provided further*, That such examination shows the bank to be solvent not only as to creditors, but with unimpaired capital.

Before a deposit is made in any bank as above authorized the bank shall agree to pay interest thereon computed upon the daily balance at the rate of not less than 2½ per cent per annum. Each bank receiving deposits under the authority of this act shall from time to time give such suitable bond or bonds, with surety or sureties to be approved by the Postmaster-General, as will indemnify the Government against loss. If the banks herein described as the banks in which the funds are to be deposited refuse to accept a deposit or deposits upon the terms and conditions above described, then and in such case the Postmaster-General may use any bank designated by him and complying with said terms and conditions for such deposit or deposits; or he may invest the same in state, territorial, county, or municipal bonds to be selected by him with the approval of the Secretary of the Treasury and the Attorney-General. Interest and profits shall be applied first to the payment of interest accruing to depositors in postal savings depositories as hereinbefore provided, and the excess thereof, if any, shall be covered into the Treasury as part of the postal revenues. For the purposes of this act the word "Territory" as used herein shall be held to include the District of Columbia, the district of Alaska, and Porto Rico.

Mr. CUMMINS. Mr. President, in view of my very brief service in this body, it is with great reluctance that I ask attention for a little while to the amendments I have proposed, and were it not that I believe that the State which I have the honor, in part, to represent is peculiarly interested in this measure I would not attempt to impose my opinion upon Senators of wider experience and more extended observation.

The truth, however, is that Iowa, although not the most populous State in the Union, although not the richest State in the Union, has more banking institutions than any other State in the Republic; and it is because I am profoundly convinced that this measure, if adopted in the form presented by the committee, would seriously endanger those financial institutions, and, if not destroy, at least disturb a condition which has heretofore been found safe in our State, that I venture to discuss the amendments which have already been submitted.

First, as to my personal attitude toward this bill. These amendments are not proposed from a hostile point of view. I have two reasons for favoring a postal bank or postal depository system. The first is that I believe it is the duty of the Government of the United States to provide a safe and convenient depository for its poorer people, and, second, because I belong to a political organization that has pledged its faith to the people of the United States for the establishment of a postal savings system.

I quite agree with the Senator from Idaho [Mr. HEYBURN], who yesterday said that the pledge in our platform did not commit anyone to a specific measure, but as I view the obligation which I have undertaken, it does commit members of our political organization to an honest effort to agree as between themselves upon the terms of a postal savings bank measure; and if the particular bill reported by the committee has objections that make against it, then it seems to me that it is the duty of every Republican Senator at least to remove those objections if he can. It is because I have felt such an obligation resting upon me, especially in the interests of my own people, that I have already presented the amendments to which I now call the attention of the Senate.

This bill, as is apparent to anyone who has given it the most casual reading, may be divided into two general parts. First, it provides a system for the deposit of the money of those who desire to take advantage of its provisions. I am not wholly persuaded that the machinery which has been devised in the bill, as reported by the committee, is the best machinery that can be provided for this purpose. I do not intend, however, at this time to comment upon any objections to the details of the plan as outlined in that part of the measure.

The second grand division of the measure relates to the disposition of the money collected by the Government at its post-offices, and after having given the subject some study, it is my opinion that the plan outlined, and somewhat specifically provided for in this division of the bill, would destroy the banking and industrial conditions which prevail throughout a large part of the United States.

I wish to be clearly understood. I intend to vote for this bill if it can be so amended that it will serve and promote the object

which I know its author had in view without destroying the financial and industrial conditions as they now exist.

With that explanation I call attention to my amendments. The first of them seeks to strike out wholly section 10 of the bill. This section presents four distinct propositions, the first of them being, quoting from the bill:

That postal savings depository funds are hereby declared to be public moneys and subject to the safeguards and preferences provided by statute therefor.

This clause of section 10 is supplemented and completed by a further clause in section 11, which reads as follows:

If any bank in which such funds as so deposited shall become insolvent, such funds shall be a prior lien upon its assets and shall be first paid, to the exclusion of all other indebtedness of every kind and nature whatsoever.

I am unalterably opposed to this feature of the bill. I believe it is fundamentally wrong to give these deposits a priority in payment over the ordinary depositors of a bank. It is not fair to make the ordinary depositor guarantee the payment of the savings depositor, and if that injustice is not so manifest that it becomes obvious to every mind upon the mere reading of that part of the bill, I despair of deepening the impression.

I shall not at this time speak of the wisdom of the general statute which gives to public deposits a preference over other deposits. It may be that something can be said—I doubt not something can well be said—in favor of the general policy of making moneys that are collected from the people for the purposes of defraying the ordinary expenses of the Government a prior lien upon the assets of the banks in which they are deposited. I have no suggestion to make with regard to that policy which has heretofore, as I understand, been pursued by the Government of the United States.

These moneys, however, are of an entirely different character. The Government of the country undertakes to receive from the savings depositor his money from time to time and hold it safely and return it to him upon demand. When the Government deposits funds of that character in a bank they ought not to become a lien upon the money of an ordinary depositor who seeks to do business with that bank. I can not conceive of any reason which should give to such depositors or to the Government as their agent this advantage over the ordinary commercial population of the land.

Nor, as it will presently appear, is it necessary that there shall be this security given to the government deposits. There are other ways of indemnifying the Government against loss. We are establishing this system—if we do establish it; and I hope the prophecy of the Senator from Idaho [Mr. HEYBURN] will not be fulfilled—for the general good and to promote the general welfare, and if there be losses entailed in carrying on this business, those losses ought to be borne by the people for whose benefit this system is established, and they ought not to be borne by a particular class of creditors or of depositors who may find it necessary to seek these banks in the transaction of their business. I have therefore sought to eliminate entirely this feature from the bill.

The second proposition suggested in section 10 is as follows:

After their receipt from depositors they shall be exempt from demand, garnishment, execution, attachment, seizure, or detention under any legal process against the depositor thereof.

I believe this is also essentially wrong and unjust. I shall not at this moment undertake to declare whether it is or is not in the power of Congress to exempt these funds from such process as the State may legally employ to reach them. It is well known to every lawyer that the United States is not suable, and therefore this clause is not necessary to exempt the Government of our country from suit, and I believe it ought to be the opinion of Congress that the question whether these deposits shall be exempt from the payment of the debts of those who make the deposits should be remitted to the several States. It is a subject concerning which the States alone should legislate. It is the policy of the Commonwealths which should control upon such a subject, and not the policy of the General Government.

The third division of this section is as follows:

Such funds shall not be subject to taxation by the United States or any State, county, or municipality.

The most immature reflection, as it seems to me, upon this provision ought to exhibit its weakness. I believe there is not a lawyer in this body who will not agree with me upon this proposition: The States have absolute power of taxation upon all the property and all the persons within their borders, except as their right and power are limited by the Constitution of the United States. It is not possible that it will be insisted upon at this time, and in the illumination upon this subject, which can be seen throughout a long course of the decisions of the

Supreme Court of the United States, that Congress has the power to withdraw any property whatsoever from the taxation of the States.

The Constitution of the country, which is paramount not only over Congress, but over the States, has exempted certain property from the right of taxation on the part of the States. That exemption, however, can not be extended by any act of Congress. If the postal savings bank deposits, whether as viewed from the standpoint of the depositor or the standpoint of the Government, are means for the accomplishment or execution of lawful powers of the United States, then they are exempt by virtue of the Constitution itself. Whether they are so exempt is not a legislative question. It is purely a judicial question. Congress can not determine it. The courts will necessarily determine it whenever a suitable case is presented to them for decision. Therefore I have sought to eliminate from this bill a provision which, as it seems to me, passes far beyond the constitutional power of Congress to incorporate in it.

The fourth division of section 10 is one concerning which I have but little to say:

And no person connected with the Post-Office Department shall disclose to any person other than the depositor the amount of his or her deposit, unless directed so to do by the Postmaster-General.

My observation is that the operations of the Government are sufficiently secretive not to need any additional safeguard of this kind. I know of no reason for suppressing this information from anyone who legitimately inquires after it, and therefore it seems to me this also should be eliminated from the measure.

I have now passed over the four features of section 10. Not a single one of them ought to remain in the bill. Not one of them is necessary to accomplish the purpose which the American people had in view in declaring for a postal savings bank measure, and some of them I believe would so embarrass the operation of the law that we would not be able to do the things that those who favor any postal-bank measure desire to accomplish.

I now pass to my second amendment, which is a substitute for section 11. I need not read it as a whole, for I can state it with more brevity. The bill as reported by the committee commands the Postmaster-General to deposit in the nearest practicable national bank the moneys collected at the several post-offices. My objection to it is that the Postmaster-General is limited in the selection of his depositories to national banks, and it is this feature of the measure to which I referred a few moments ago when I said that I believed that if it would not destroy it would unnecessarily and seriously disturb existing conditions.

My amendment proposes to extend the privilege to all state banks, to all banks organized under state laws which are, according to the laws of the States in which they are organized, subject to public examination and supervision. Possibly it would be well to read the first few lines of the substitute I have offered for section 10.

That the Postmaster-General shall, as herein provided, deposit postal savings depository funds received at the post-office in any city, town, or village in the bank or banks organized under the national law or a state of territorial law and doing business in such city, town, or village ratably according to their capital; and if in any such city, town, or village there be no such bank, or if the funds have been received at a post-office not within a city, town, or village, then in the nearest bank or banks in the State or Territory.

The first suggestion, I am sure, that will occur to those who do not favor this enlargement of the depositories is that there would be danger of loss to these funds if they were deposited in banks over which the National Government itself did not exercise the power of supervision and examination. I will be compelled in answering this objection to refer to the history of my own State. I have not extended my examination in this respect to other States. It may be taken for granted, however, that all of the States exercise that wise authority over such institutions as insures the safety of their deposits.

I said a moment ago that Iowa had more banks than any other State in the Union. With over 2,300,000 people, we have more banks than the State of New York or the State of Pennsylvania or any other community in the world of equal number. We have at the present time—and I will give round numbers only—1,300 state banks and national banks. We have 300 and more private banking institutions. The amendment I propose, however, does not extend the privilege to private banking places. It limits the privileges to the banks organized under the law and subject by the law to examination.

I have before me a brief statement which I ask to include in the discussion to which I am now passing. It may be of interest to those who do me the honor to give me their attention. At the close of the year 1908 there were in Iowa 872 state banks, savings banks, and trust companies doing a banking

business. To these institutions are to be added, in making up the total that I gave a moment ago, the national banks of the State. I am now, however, dealing only with state banks.

The average amount on deposit in the state banks, including savings banks, for six years has been \$200,995,890.78. In the six years from 1902 to 1908, both inclusive, nine of these banks have failed, which have paid less than 100 per cent to depositors. The aggregate amount on deposit in these nine banks at the time they suspended was \$960,999.05. The percentage of deposits in failing banks paying less than 100 per cent to the total deposits for six years is a little less than one-half of 1 per cent. The percentage for one year—and, mark you, I am now comparing the total on deposit in the failing banks with the aggregate average deposit of all the banks—is one-twelfth of 1 per cent. The average paid to depositors by these failing banks has been 72.54 per cent. So the percentage of loss per year to depositors has been a trifle less than one forty-fifth of 1 per cent. Reducing this to concrete form and assuming that the Government might have at the end of a few years on deposit in the state banks of Iowa \$10,000,000, the yearly loss, if it had no indemnity whatever, would be \$2,200.

The bill that we are now considering would involve at once the employment in the city of Washington of more than 500 additional clerks. So the loss in the State which I in part represent in a whole year would be scarcely more than the salary of a single one of these clerks for that year. I trust that upon this statement all fear that any serious menace to the interests of the Government is involved in the suggestion that these depositories be enlarged will be at once dismissed.

May I continue this comparison for a moment? The average deposit in national banks in Iowa from 1902 to 1908, both inclusive, was \$75,851,000. Four banks have failed in this period, with deposits amounting to \$1,483,965. They have not been wholly liquidated; but up to October 31, 1908, dividends had been paid aggregating \$306,694. The loss to depositors, therefore, has been \$1,177,271. The percentage of loss, compared with the average deposit for seven years, is 1.54 per cent; or, for one year, a little more than double the percentage of loss suffered by the depositors in state and savings banks.

Therefore, if you are seeking places in which these moneys will be safest, without exacting any security whatever, it is obvious that you will seek, not the national banks, but the state and the savings banks, organized under state laws. In what I have said I have assumed that every State is equally watchful, that every State attends to its honor with the same care and the same concern. Far be it from me to attempt to elevate in this presence the Commonwealth which I have the honor in part to represent, above any other Commonwealth represented upon the floor of the Senate.

It seems to me, therefore, entirely apart from the matter of security, I have shown as conclusively as history can show, that it will be safe for the Government of the United States to deposit these funds in state banks as well as in national banks.

And there is a high imperative reason for so doing. There is in my State not a village of 200 people—I think I may safely make the absolute assertion—that has not at least one bank. The business of the State has gathered around these banks. The commerce of the communities depends upon these banks. The advantages which they give to the people in their localities are essential to the industrial and the agricultural life of a State like mine.

Any proposition which will take the moneys which naturally flow into these localities under the laws of trade and commerce and business and artificially remove the moneys to any other place must be fatal to the best interests of the country.

I will not paint so beautiful a picture as appeared before my eyes under the stirring eloquence of my friend the Senator from Idaho [Mr. HEYBURN], but I can imagine in a day of stress and storm, when suspicion is filling the air, this same company of depositors, not in the post-offices, but in the little banks, marching up to take their money from the bank and deposit it in the post-office.

I have no objection to that, for I desire above all things to fortify the confidence of people in the return of the moneys which they save; but if, being so withdrawn, the post-office takes the money and sends it 50 or 200 miles away, then the whole life of that community is at once paralyzed, and the banks will find it less easy to perform their natural functions than they have in former years; whereas if, when the days of trouble come and the depositor in the bank feels that he ought to have greater security and safety for his savings than in the bank, and he appears and draws his money from these institutions and takes it to the post-office, and if in twenty-four hours or in five hours or in one hour, according to the administrative

work of this machine, the money is again deposited in the very bank from which it came, you have restored the normal condition in that community and you have permitted it to resume its financial or its commercial energy in the usual way.

I can not conceive why anyone should desire to take from these communities the money which gathers there under an imperial law that Congress can neither amend nor repeal, and at the very moment at which it is most needed carry it away to a bank that, whether 25 or 50 miles distant, is foreign to the life of that particular locality.

I understand perfectly the general objection that arises instinctively in the mind, and that is the possible loss to the General Government. That does not terrify me. We are doing something here, we assume, for the general good, and I would vastly rather see these losses repaid from the general revenues of the Republic than to see the money with which the country must do its business forcibly torn away from its natural place and deposited in a foreign institution.

But recognizing the force of that feeling, which I assume must be in the minds of many Senators, the amendment which I now submit provides absolute indemnity to the General Government. I have adopted in this amendment the practice with which I have been familiar for many years. If you will pardon me, I will refer to my own experience as governor of the State of Iowa. When the State of Iowa has money to deposit in her banks—and the State of Iowa has money to deposit in her banks—she takes from the bank an indemnifying bond. The State of Iowa would not fasten upon the assets of the bank a lien for the moneys that she deposits, but she requires those who are pecuniarily interested in the bank—those who make a profit out of the operations of the bank, and who are therefore concerned in its prosperity—to give a bond that if the bank fails to return the deposit on demand, then they will make the return. In all the history of the State there is not a single suggestion of a loss of public moneys, and therefore the amendment which I proposed contains this provision:

Before a deposit is made in any bank as above authorized the bank shall agree to pay interest thereon computed upon the daily balance at the rate of not less than 2½ per cent per annum.

It is not pertinent to the present discussion, but I do not desire to be foreclosed upon the rate of interest. I adopted that rate because it is the one provided for in the bill, and I do not care to raise any question about it. As I look at the matter—of course, from an inexperienced standpoint—I think the rate of interest is higher than the practice will warrant; but it is not necessary to suspend a great measure like this for such criticism.

Each bank receiving deposits under the authority of this act shall from time to time give such suitable bond or bonds, with surety or sureties to be approved by the Postmaster-General, as will indemnify the Government against loss.

This is the suggestion I have incorporated into my amendment as a substitute for that part of the pending bill which makes these deposits a lien upon the general resources of the bank.

I repeat, the people of this country will repudiate a measure which compels the ordinary depositor, who receives no profit in the transaction, to guarantee the payment of the savings deposited. I am not averse to the Government guaranteeing the savings deposited. I am in the habit of stripping things, and I recognize, and every Senator must recognize, in this bill a device which is the equivalent of a government guaranty of savings-bank deposits. I am quite willing to meet and acknowledge that avowed purpose of the bill. I have no hesitation in giving my vote to the project that the Government shall provide a place absolutely safe in which those who have suspicion of the banks may deposit their savings, and thus promote their own welfare and secure their own happiness; but I have not deceived myself with regard to the real character of this measure.

Mr. President, having thus submitted the amendments that I have proposed, at the proper time—whenever those who wish to speak upon the amendments shall have said all that they desire to say—I shall ask for a vote upon them.

Mr. CARTER. Mr. President, the amendment presented by the Senator from Iowa [Mr. CUMMINS] is divisible into four parts, and at the proper time, when approaching a vote, I shall call for the division, which, I believe, is allowable under the rules of the Senate.

I doubt if upon full consideration the Senator from Iowa will insist upon the first part of his amendment. Section 10 he proposes to strike out entirely. The subdivision which may be denominated "subdivision No. 1" provides—

that postal savings depository funds are hereby declared to be public moneys and subject to the safeguards and preferences provided by statute therefor.

That is a definite and distinct proposition. Probably the language employed is not happy, and it may be that it does not accomplish the purpose in view. The real underlying thought connected with that sentence was to avoid the reenactment of numerous provisions of our laws relating to the protection of public funds, the punishment of embezzlement, and the like.

The volume of law relating to the misappropriation, embezzlement, and other criminal disposition of public funds is quite extensive, and it is manifestly desirable to avoid the enactment of the various statutes for their incorporation in this bill; and yet in the absence of any statutory provision for the protection of these funds we would be driven to the ordinary sections relating to larceny and embezzlement as applicable to funds generally.

Mr. CUMMINS. Mr. President—

The VICE-PRESIDENT. Does the Senator from Montana yield to the Senator from Iowa?

Mr. CARTER. Certainly.

Mr. CUMMINS. I certainly did not make myself wholly clear. My view of it is that Congress can not make a bay horse white by calling it white. If these moneys collected, as they are to be collected, are public moneys, they will receive all the benefits and have all the safeguards of public moneys, and the mere characterization of the moneys as public moneys would not accomplish the fact.

Mr. CARTER. The statute might undoubtedly provide that all safeguards for public moneys would be applicable to the moneys received at the post-offices in the course of the operation of this law, without any reference to characterization or attempt to create a new or different substance by mere name.

Mr. HEYBURN. Mr. President—

The VICE-PRESIDENT. Does the Senator from Montana yield to the Senator from Idaho?

Mr. CARTER. Certainly.

Mr. HEYBURN. I should like to submit a question to the Senator. Could the credit which the Government receives at a national bank when it deposits any class of money there be public funds under the decision of the Supreme Court of the United States, which has defined the character of money deposited in a bank of any kind? When it was deposited in a bank, then the Government would become a creditor of the bank, because the bank, by the terms of the bill, is authorized to mix the government moneys with its own and deal with it and loan it out as it would deal with and loan its own.

Mr. CARTER. Unquestionably the relation of debtor and creditor would be created between the Government and the bank in which the deposit was made.

Mr. HEYBURN. Then, if I may be pardoned—

Mr. CARTER. But there is no attempt in this section to follow the money into the bank, where it becomes commingled with other deposits, with a view to attaching to it permanently the character of public money. It will there be subject to the contract relation between the bank and the depositor in the bank.

Mr. HEYBURN. Then, Mr. President, under the provisions of the bill, with the permission of the Senator, it ceases to become public money as soon as it is deposited in the banks.

Mr. CARTER. The money to the credit of the Government is there.

Mr. HEYBURN. But it ceases to be public money.

Mr. CARTER. But the section we are discussing has no relation whatever to the contract which will arise between the United States and the bank in which the money is deposited any more than is the character of public money preserved in a bank where it is deposited now. The relation of debtor and creditor arises where money is deposited in a national bank to-day in New York, New Orleans, or any other part of the country.

But, Mr. President, we wander from the purposes of this particular part of the proposed law. The postmaster, for instance, sells a money order and receives the amount of the face plus the commission provided by law. That is money in the hands of the Government for the purpose of executing a scheme of exchange or transmission, and yet by law it is made public money in so far as the safeguard provided for public money may be concerned.

It is the purpose of this particular section to have a like character stamped upon these postal receipts. For instance, the postmaster at a given place receives \$1 for postage stamps, \$1 for a money order, and another dollar for a postal deposit. All of this money is to be regarded in the light of the criminal statutes relating to the embezzlement or misappropriation of any part of it as public money.

Mr. HEYBURN. May I ask the Senator a question?

The VICE-PRESIDENT. Does the Senator from Montana yield to the Senator from Idaho?

Mr. CARTER. Certainly.

Mr. HEYBURN. Would the Senator from Montana object to striking out the word "deposit" and substituting the word "loan," so that the Government shall loan this money to the national banks?

Mr. CARTER. While discussing this particular feature of the bill the Senator, I am sure, will excuse me from entering upon another and entirely independent proposition.

I challenge the attention of the Senator from Iowa to the purpose which I have stated as attached to the first part of section 10, to which he takes exception. It has no other purpose than to make applicable to these funds in the hands of United States officers the penal statute providing for the protection of public funds.

Mr. CUMMINS. Mr. President—

The VICE-PRESIDENT. Does the Senator from Montana yield to the Senator from Iowa?

Mr. CARTER. Certainly.

Mr. CUMMINS. I think that is true; and I do not mean to be otherwise understood, save in this respect: You have used the word "preferences" in the last part of the sentence. I believe that that is intended to give the government deposit a preference, and I assumed that the first part of the sentence was not necessary, because in the very nature of things this is public money, and therefore is entitled to the safeguard to which you refer. You can not make it other than public money.

Mr. CARTER. Mr. President—

Mr. CUMMINS. But I have no objection to that part of the section remaining in.

Mr. CARTER. There can be no injury flowing from the specific statement of that which may be taken for granted by inference. That portion of the section might well be rewritten so as to read—

That postal savings depository funds shall be entitled and subject to the safeguards and protection and preferences provided by statute for public moneys of the United States.

Passing, then, from that section, which is the portion of the section which I understand the Senator from Iowa does not expressly object to—

Mr. BAILEY. Mr. President—

The VICE-PRESIDENT. Does the Senator from Montana yield to the Senator from Texas?

Mr. CARTER. Certainly.

Mr. BAILEY. I simply desire to ask the Senator if he does not recognize a very important difference between the public money as ordinarily understood and the money provided for in this bill? It is sensible enough to give the Government a prior lien for deposits of public moneys, and it proceeds upon the theory that the Government collects simply what it needs to support itself and could not be postponed in the use of those funds; otherwise it might seriously interfere with the ordinary operations of the Government. But no such reasoning as that could possibly apply to the moneys collected and deposited under this bill. Such moneys would have no relation to the ordinary conduct and expenditures of the General Government.

Mr. CARTER. Mr. President, they have very apt relation to the operations of this law if passed by Congress.

Mr. CUMMINS. Mr. President—

The VICE-PRESIDENT. Does the Senator from Montana yield to the Senator from Iowa?

Mr. CARTER. Certainly.

Mr. CUMMINS. I am solicitous about one thing. The Senator suggested a moment ago that I would yield my amendment with regard to this sentence. I beg that he will not so understand. I insist upon my amendment with regard to the sentence, because it has the effect of giving the deposit a preference over other deposits in the bank.

Mr. CARTER. Mr. President, passing from that, I shall not now consume much time, save to point out what I conceive to be objections to the Senator's amendments, as there happens to be other business which is in the view of Senators somewhat pressing this afternoon.

As to the second subdivision of the Senator's amendment, that which provides for striking out the portion of section 10 exempting these funds from garnishment, I take direct issue, and I believe that, independent of any specific provision in this bill exempting the funds or any part of them from garnishment, they would be exempt under the rule of law laid down in *Buchanan v. Alexander*, in 4 Howard, to which I wish to direct the attention of the Senate.

Mr. CULLOM. Mr. President—

The VICE-PRESIDENT. Does the Senator from Montana yield to the Senator from Illinois?

Mr. CARTER. Yes.

Mr. CULLOM. If the Senator will allow me to interrupt him, I will say that I should like very much to have an executive session this afternoon. Will the Senator be kind enough to lay aside the unfinished business for that purpose?

Mr. CARTER. Mr. President, realizing the earnest desire of the Senator from Illinois to have an executive session, I will forego further observations with reference to the amendment at this time, and yield to the Senator from Illinois.

EXECUTIVE SESSION.

Mr. CULLOM. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After one hour spent in executive session the doors were reopened, and (at 4 o'clock and 40 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, January 27, 1909, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 26, 1909.

POSTMASTERS.

ARIZONA.

W. H. Knight to be postmaster at Humboldt, Ariz., in place of William F. Buckingham, removed.

ARKANSAS.

Benjamin W. Allen to be postmaster at Hamburg, Ark., in place of Benjamin W. Allen. Incumbent's commission expired January 20, 1909.

CALIFORNIA.

John L. Butler to be postmaster at Colfax, Cal., in place of Cora B. Wales. Incumbent's commission expired December 12, 1908.

Flora S. Knauer to be postmaster at Reedley, Cal., in place of Flora S. Knauer. Incumbent's commission expired January 20, 1909.

HAWAII.

Charles A. De Cew to be postmaster at Waialua, Hawaii, in place of William W. Goodale, resigned.

ILLINOIS.

Jacob H. Koch to be postmaster at New Athens, Ill. Office became presidential January 1, 1909.

INDIANA.

John C. Bartindale to be postmaster at Otterbein, Ind., in place of John C. Bartindale. Incumbent's commission expires February 23, 1909.

John B. Davis to be postmaster at Poseyville, Ind. Office became presidential January 1, 1909.

Leonard E. Moore to be postmaster at Shirley, Ind., in place of Lucius L. Camplin. Incumbent's commission expires January 30, 1909.

IOWA.

George H. Otis to be postmaster at Monona, Iowa, in place of George H. Otis. Incumbent's commission expired December 14, 1908.

James R. Williams to be postmaster at Larchwood, Iowa. Office became presidential January 1, 1909.

MARYLAND.

William H. Stevens, jr., to be postmaster at Hurlock, Md. Office became presidential January 1, 1909.

MASSACHUSETTS.

Benjamin Derby, jr., to be postmaster at Concord Junction, Mass., in place of Benjamin Derby, jr. Incumbent's commission expires February 14, 1909.

Charles C. Phelps to be postmaster at Gilbertville, Mass., in place of John W. McElwie, resigned.

MINNESOTA.

Herman Ohde to be postmaster at Henderson, Minn. Office became presidential October 1, 1908.

MISSISSIPPI.

James W. Bell to be postmaster at Pontotoc, Miss., in place of James W. Bell. Incumbent's commission expired January 19, 1909.

NEBRASKA.

Charles F. Clawges to be postmaster at Bridgeport, Nebr. Office became presidential January 1, 1909.

NEW MEXICO.

Frank W. Shearon to be postmaster at Santa Fe, N. Mex., in place of Paul A. F. Walter, resigned.

NEW YORK.

Edwin B. Hughes to be postmaster at Staatsburg, N. Y. Office became presidential July 1, 1908.

Phil S. Spaulding to be postmaster at Whitesboro, N. Y., in place of Phil S. Spaulding. Incumbent's commission expires January 30, 1909.

NORTH DAKOTA.

Hans McC. Paulson to be postmaster at Crosby, N. Dak. Office became presidential January 1, 1909.

OHIO.

Edmund L. McCallay to be postmaster at Middletown, Ohio, in place of Edmund L. McCallay. Incumbent's commission expired December 16, 1908.

OKLAHOMA.

Frank Gallop to be postmaster at Clinton, Okla., in place of Charles H. Nash, resigned.

PENNSYLVANIA.

John S. Longenecker to be postmaster at Middletown, Pa., in place of Edward K. Demmy. Incumbent's commission expires February 3, 1909.

J. C. McLain to be postmaster at Indiana, Pa., in place of James C. McGregor. Incumbent's commission expired December 15, 1908.

James B. Mates to be postmaster at Butler, Pa., in place of Eli D. Robinson. Incumbent's commission expired January 20, 1909.

John J. Riddle to be postmaster at Bala, Pa. Office became presidential January 1, 1909.

SOUTH CAROLINA.

Joseph H. Abbey to be postmaster at St. George, S. C., in place of Joseph H. Abbey. Incumbent's commission expired January 10, 1909.

SOUTH DAKOTA.

Joseph Kubler to be postmaster at Custer, S. Dak., in place of Joseph Kubler. Incumbent's commission expired April 27, 1908.

TEXAS.

George Keck to be postmaster at Plainview, Tex., in place of James C. Newman, deceased.

Jeff Potter to be postmaster at Tulia, Tex. Office became presidential July 1, 1908.

Adelia C. Pruitt to be postmaster at Lindale, Tex., in place of Adelia C. Pruitt. Incumbent's commission expired January 10, 1909.

WASHINGTON.

William H. McCoy to be postmaster at Reardan, Wash. Office became presidential January 1, 1909.

WISCONSIN.

Fred J. Buell to be postmaster at Burlington, Wis., in place of Fred J. Buell. Incumbent's commission expired January 9, 1909.

James R. Shaver to be postmaster at Augusta, Wis., in place of James R. Shaver. Incumbent's commission expires February 8, 1909.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 26, 1909.

PUBLIC PRINTER.

Samuel B. Donnelly, of New York, to be Public Printer.

UNITED STATES MARSHAL.

William R. Compton, of New York, to be United States marshal for the western district of New York.

APPOINTMENTS IN THE NAVY.

TO BE SECOND LIEUTENANTS IN THE UNITED STATES MARINE CORPS.

Roy S. Geiger, United States Marine Corps;
Ernest C. Williams, United States Marine Corps;
Richard H. Tebbs, jr., a citizen of Virginia;
Pere Wilmer, a citizen of Maryland;

Ernest V. B. Douredoure, a citizen of Pennsylvania;
Robert E. Messersmith, a citizen of Pennsylvania;
Frank L. Martin, a citizen of Pennsylvania; and
George W. Van Hoose, jr., a citizen of Alabama.

POSTMASTERS.

CALIFORNIA.

Presentation M. Soto to be postmaster at Concord, Cal.

FLORIDA.

Carrie S. Abbie to be postmaster at Sarasota, Fla.
James H. Lundy to be postmaster at Perry, Fla.
Charles C. Peck to be postmaster at Brooksville, Fla.

GEORGIA.

Mary L. Darden to be postmaster at Hogansville, Ga.
Claude E. Smith to be postmaster at Carrollton, Ga.

ILLINOIS.

Sadie A. Case to be postmaster at Pawpaw, Ill.
Wallace Diver to be postmaster at Dallas City, Ill.
Eva J. Harrison to be postmaster at Johnston City, Ill.
Charles H. Hurt to be postmaster at Barry, Ill.
Amzi A. Junkins to be postmaster at Noble, Ill.

IOWA.

Robert A. Gardner to be postmaster at West Point, Iowa.
John Q. Graham to be postmaster at Emerson, Iowa.
William D. Jacobsen to be postmaster at Lyons, Iowa.
Joseph J. Marsh to be postmaster at Decorah, Iowa.
Philip M. Mosher to be postmaster at Riceville, Iowa.
Frank A. Nimocks to be postmaster at Ottumwa, Iowa.
Roscoe C. Saunders to be postmaster at Manilla, Iowa.
Fred B. Wolf to be postmaster at Primghar, Iowa.

MASSACHUSETTS.

Charles W. Bemis to be postmaster at Foxboro, Mass.

MISSISSIPPI.

David G. Dunlap to be postmaster at Sardis, Miss.

MISSOURI.

Z. P. Caneer to be postmaster at Senath, Mo.
Leonard D. Kennedy to be postmaster at Frankford, Mo.
William E. Templeton to be postmaster at Excelsior Springs, Mo.

MONTANA.

Edward L. Fenton to be postmaster at Laurel, Mont.
Grace Lamont to be postmaster at Dillon, Mont.
E. B. Thayer to be postmaster at Columbus, Mont.

NEW HAMPSHIRE.

Adelia M. Barrows to be postmaster at Hinsdale, N. H.

NEW JERSEY.

Ezra F. Ferris, sr., to be postmaster at Chatham, N. J.
Charles Morganweck to be postmaster at Egg Harbor City, N. J.

NEW MEXICO.

Frank W. Shearon to be postmaster at Santa Fe, N. Mex.

NEW YORK.

John N. Van Antwerp to be postmaster at Fultonville, N. Y.
Frederick H. Coggeshall to be postmaster at Waterville, N. Y.

OHIO.

Walter Elliott to be postmaster at Ada, Ohio.
Ford H. Laning to be postmaster at Norwalk, Ohio.
Lee G. Pennock to be postmaster at Urbana, Ohio.
Theodore Totten to be postmaster at Findlay, Ohio.

OKLAHOMA.

W. Story Sherman to be postmaster at Shattuck, Okla.
John D. Wilkins to be postmaster at Pryor (late Pryor Creek), Okla.

OREGON.

Frank J. Carney to be postmaster at Astoria, Oreg.

PENNSYLVANIA.

Samuel W. Hamilton to be postmaster at Vandergrift, Pa.
Alfred R. Houck to be postmaster at Lebanon, Pa.

SOUTH DAKOTA.

Boyd Wales to be postmaster at Howard, S. Dak.

WISCONSIN.

John W. Benn to be postmaster at Medford, Wis.
Joseph M. Garlick to be postmaster at Independence, Wis.
George Green to be postmaster at Loyal, Wis.

HOUSE OF REPRESENTATIVES.

TUESDAY, January 26, 1909.

The House met at 12 o'clock m.

Prayer by the Chaplain, Rev. Henry N. Couden, D. D.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, its reading clerk, announced that the Senate had passed with amendments bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 26399. An act making appropriations to supply deficiencies in the appropriations for the fiscal year ending June 30, 1909.

The message also announced that the Senate had passed without amendment joint resolution (H. J. Res. 202) authorizing the granting of permits to the committee on inaugural ceremonies on the occasion of the inauguration of the President-elect on March 4, 1909, etc.

The message also announced that the Senate had passed bills and joint resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. 8302. An act to incorporate the "Descendants of the Signers";

S. 7325. An act for the relief of Cadmus E. Crabill;

S. 6550. An act granting an honorable discharge to Thompson B. Pollard; and

S. R. 119. Joint resolution authorizing the Secretary of War to award gold medals to Orville Wright and Wilbur Wright.

ABRAHAM LINCOLN.

Mr. McCALL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Massachusetts [Mr. McCALL] asks unanimous consent for the present consideration of a resolution reported by the Committee on the Library. The Clerk will report the resolution.

The Clerk read as follows:

House joint resolution (No. 247) relating to the celebration of the one hundredth anniversary of the birth of Abraham Lincoln and making the 12th day of February, 1909, a legal holiday, and for other purposes.

Resolved, etc., That the 12th day of February, 1909, the same being the centennial anniversary of the birth of Abraham Lincoln, be, and the same is hereby, made a special legal holiday in the District of Columbia and the Territories of the United States: Be it further

Resolved, That the President be authorized to issue a proclamation in accordance with the foregoing, setting apart the 12th day of February, 1909, as a special legal holiday.

The SPEAKER. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, I would like to ask the gentleman in charge of the bill whether this is the only method which it is expected will be adopted for the honoring of the one hundredth anniversary of the birth of Abraham Lincoln?

Mr. McCALL. Mr. Speaker, that is a very pertinent question. I trust it will not be the only method. There is a difference of opinion about the character of a memorial which should be erected to Abraham Lincoln, and also as to its location.

Mr. MANN. In that connection, may I say to the gentleman that a very distinguished fellow-townsmen of mine, Mr. Burnham, one of the recognized authorities in the world, has made some suggestions in reference to that, according to the newspapers, and I would like to know if the gentleman can inform us?

Mr. McCALL. I was coming to that. I would say that there is a difference of opinion as to the character and location of the memorial, but there is no difference of opinion whatever as to the propriety of making the 12th of February, 1909, a legal holiday. So we reported this resolution, which should pass at once, in order that a proclamation may immediately be issued.

With reference to what the gentleman has said, I do not wonder that he is somewhat confused on account of the multitude of protests, so called, that have been printed in the newspapers against a scheme which does not exist. There is a great advantage in not knowing anything about one's subject, because one is not hampered by facts, but can give free rein to his imagination; and these various protests that have been recently printed from architects throughout the country are not directed to anything pending in the House of Representatives.

During last May the Committee on the Library reported a bill for a memorial to Lincoln which contemplated doubling the size of the Capitol grounds, something that is very desirable because of the fact that the long axis of the grounds is too short, and needed also to give the appropriate entrance to the Capitol; and we believed that somewhere on that 40 acres of land the resources of American art might be equal to devising and building some appropriate memorial to Abraham Lincoln. This bill was

reported last May, and public attention was directed to it in the newspapers of the country. There was ample opportunity for the development of indignation then, but none came. There was no ripple of indignation seen during the summer or fall.

On a sudden, during a single week in January, seven months afterwards, societies of architects in widely separated parts of the country—in Boston and Seattle, in New York and New Orleans—all decided to become indignant at the same time. [Laughter.] This would be a curious psychological phenomenon if gentlemen had not had some experience. When you find that indignation has been triumphantly repressed during seven months, and it then comes from everywhere all at once, you know that somebody has pressed a button [laughter], and that is simply what has been done in this case. The man who pressed the button did not know anything about the subject [laughter], and he communicated his ignorance to the rest of the country. [Laughter and applause.]

Mr. Speaker, as I have said, there are three or more propositions for memorials to Lincoln. One is by the construction of a road to Gettysburg; another is a memorial upon a location down below the Washington Monument, and almost under its shadow, on the Potomac; and still another is upon the location to which I have called the attention of the House. The location on the Potomac River is one that appears in the so-called "Burnham plan" for the artistic development of Washington, and undoubtedly in the scheme of that park it is a location fitted to some admirable work. When it is a question of the fitness of a work of art to a given location, that is one thing, and the opinion of artists upon it is of very great value; but when they come and say the place shall be to Lincoln, or to any other particular statesman, that is a question that appeals to the historical imagination, of which the artist has no monopoly.

There is something I think important to bring to the attention of the House and the country, which may somewhat surprise some gentlemen who are so simultaneously and unanimously defending the Burnham plan, and that is a cablegram received some days ago from a gentleman to whom my friend from Illinois alluded, Mr. Burnham, one of the great architects of the world, a man who, probably more carefully than any other architect, has made a study of the question how to beautify Washington, a man whose own name is imperishably identified with the plan to which I have alluded. Here is his cablegram:

LONDON, January 22, 1909.

Three or four different ways of memorializing Lincoln have been proposed. The choice depends largely on sentiment, of which Congress itself is the best judge.

But entirely apart from sentiment, a monumental architectural treatment of the entrance way to the Capitol is demanded by every consideration of artistic unity and of sober propriety; and there is not a shadow of a doubt that a peristyle extending around the plaza and up Delaware avenue, as shown by us before I left for Europe, is the right solution. This design should be carried out, no matter what name it bears.

That is signed by D. H. Burnham, and I commend it to the attention of some of our architectural brethren as bearing upon the question whether that portion of the city is susceptible of artistic treatment.

Now, Mr. Speaker, the Committee on Library has not recommended a peristyle; they have not recommended an arch nor any other form of art nor any location except in the most general way, but they believe when this necessary extension of the Capitol grounds is made, when we provide for a proper approach of the Nation to its Capitol, the artists of the country may be able to erect upon some portion of it a suitable memorial to Lincoln. But we are willing to avail ourselves of any new light, and none certainly has been shed by the angry denunciation of some of the architects. The so-called "Burnham plan" shows a memorial to Lincoln near the banks of the Potomac. The same place might also be devoted to some other great character. Why, it might be asked, should Lincoln be fronting the South? He had no designs upon the South; he was supremely a friend of the South. He is almost the one man among the antislavery men who in all that controversy said no bitter word about the masters, but who recognized the burden of the inheritance of slavery which they had received from past generations, and whose desire it was to break the chains that bound the master and the slave in a common bondage.

Why should he not be placed, so far now as sentiment is concerned, where he may face the whole country, near the gateway to the Capitol, through which millions of his countrymen shall pass each year in time of peace, and through which, too, if, unhappily, war shall ever come again, the youth of the country shall enter, coming from the North and the East, the West and the South, thank God, to defend the country? And will it not be fitting also that their first glance shall take in at once the memorial of the man who saved the Nation and the Dome of its Capitol? [Applause.]

The SPEAKER. Is there objection?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. BINGHAM. Mr. Speaker, I request unanimous consent that the amendments of the Senate to the bill (H. R. 23464) making appropriations for the legislative, executive, and judicial expenses of the Government be disagreed to, and that a conference be requested of the Senate.

Pending that, I desire to make this brief statement to the House: There are 205 amendments to the bill, involving in the aggregate \$664,224. Excepting the amendments increasing the compensation of the Speaker of the House, the President, the Vice-President, the judges of the Supreme Court and other judges of the United States, the additions to the public service proposed by the amendments of the Senate are not unique or extraordinary, and there is no doubt but that a conference committee can reconcile such differences.

If this request is agreed to by the House, I am prepared to give assurance that no final agreement will be reached on the amendments indicated without affording the House an opportunity of a separate vote on each one of the four amendments. I therefore present my request for unanimous consent.

The SPEAKER. The Chair lays before the House the legislative appropriation bill, with Senate amendments, from the Speaker's table, and the gentleman from Pennsylvania [Mr. BINGHAM] asks unanimous consent that the House disagree to the amendments of the Senate and request a conference. Is there objection?

There was no objection, and the Speaker announced as conferees on the part of the House Mr. BINGHAM, Mr. GILLET, and Mr. LIVINGSTON.

HARBOR OF TACOMA, WASH.

Mr. CUSHMAN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 25406) authorizing the settlement or adjustment of legal disputes concerning tide lands adjacent to the harbor of the city of Tacoma.

The bill was read.

The SPEAKER. Is there objection?

Mr. CLARK of Missouri. Mr. Speaker, I object.

POST-OFFICE APPROPRIATION BILL.

Mr. OVERSTREET. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the post-office appropriation bill; and pending that I should be glad to see if an arrangement can not be made to limit the time of general debate. I suggest to the gentleman from Tennessee [Mr. MOON] that debate close at 1.30 o'clock to-morrow.

Mr. MOON of Tennessee. I suggest to the gentleman from Indiana that we go on without limit to-day and determine that question to-morrow.

Mr. OVERSTREET. I have no serious objection to that. Then, I will make the motion, first asking unanimous consent that the time of general debate be divided equally, one half to be controlled by the gentleman from Tennessee [Mr. MOON] and the other half by myself.

The SPEAKER. Is there objection?

There was no objection.

The motion of Mr. OVERSTREET was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the post-office appropriation bill (H. R. 26305), with Mr. CURRIER in the chair.

Mr. OVERSTREET. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. OVERSTREET. Mr. Chairman, it is not my purpose to make an extended comment on the bill; but I do desire to explain, very briefly, to such of the Members as care to hear, the general features of the bill and increases made necessary, in the judgment of the committee, on account of probable increase of service during the next fiscal year.

The appropriation for the postal service for the current fiscal year ending June 30, 1909, carried \$222,960,892. The bill which is now presented aggregates \$234,534,370. It is an increase over the current appropriation of \$11,573,478, or an increase of 5.19 per cent.

In the items of appropriation which the analysis of the bill will disclose the committee has followed the usual order of

appropriations so as to furnish what, in its judgment, will be amply sufficient for the various branches of the service.

A large proportion of the appropriation for the postal service must naturally and necessarily involve the payment and compensation of officers and employees. That, of course, must be given attention, as well as the additional appropriation made necessary by the probable increase in the service for the fiscal year for which the appropriations are now made. We have, however, been careful in our efforts to provide sufficient funds in making computations so that the increased service will not occasion any impairment of that high standard of efficiency which the service has enjoyed for so many years last past.

Naturally, Members are interested in knowing what provision may be made for increased salaries of employees. On account of the importunities of the various employees of the service, evidenced by the insistence to members of the committee to increase salaries of employees, I have sometimes thought it might be proper to change the title of the bill and let it read "making appropriations for the increased salaries of postal employees." But the committee have not been unmindful of the necessities of increasing the salaries as a factor and important element in determining the standard of efficiency.

The classification act relative to clerks and carriers in the first and second class offices enacted into law a short while ago makes necessary increased appropriations to provide for the classification and make the automatic promotion provided for in the classification act. We are unable to determine in advance how many employees will become eligible to promotion under the classification act during the fiscal year by reason of the requirements of the full annual service in the next lower grade and an efficiency grade. But we assume that practically 100 per cent will be entitled to promotion under the classification act, and therefore make provision, so far as the automatic features of the classification could control, for that many promotions under the classification act. As a matter of fact, the full 100 per cent are never advanced, because the full 100 per cent never meets the requirements of the law as to continuous twelve months' service or the maintenance of a proper grade of efficiency. That usually runs, according to experience, in the limited time of the operation of the classification act, from 93 to 98 per cent. There is in this bill ample provision for 98 per cent of clerks and carriers who will be promoted under the automatic provision of the classification act, assuming that all of them would be able and efficient for twelve months' continuous service in the next lower grade, and enjoying a proper efficiency record during that time.

This measure would carry, therefore, in addition to the annual rate of expenditure of the various employees based upon the salaries that they drew on the first day of the fiscal year, and also in addition to the new employees of the various branches made necessary by the increased service, a very goodly sum to meet the requirements of the automatic promotion under the classification act.

It is estimated, Mr. Chairman, that, speaking in round numbers, there are practically 30,000 employees in offices of the first and second classes. This legislation carries sufficient appropriation to promote almost two-thirds of those clerks in offices of the first and second classes. There are approximately 26,000 carriers in offices of the first and second classes, and this legislation carries sufficient appropriation to promote 13,000 carriers of the first and second class offices. There are 15,000, approximately, carriers of the Railway Mail Service, and this provides for the promotion of about 6,000 of those.

These promotions I have enumerated of the three divisions of the service are in addition to the salaries which they would be drawing at the end of the current fiscal year, and I believe, therefore, that the committee has been unusually liberal in its recommendations purely for promotion purposes of the employees, when we take into consideration the condition of the revenues, not only of the general fund of the Treasury, but the revenues of the postal service as well.

It is estimated by the Postmaster-General in his last annual report that the revenues of the postal service for the current fiscal year will increase 8 per cent. I may say, in passing that the per cent of increase estimated in the reports of former Postmasters-General has been 9 per cent and not 8 per cent; but in the last annual report he estimates that the increase during the current fiscal year of postal receipts will be 8 per cent. Taking that as a basis and his estimates for the expenditures of the current fiscal year, he estimates that the deficit in the postal revenues, the difference between the receipts and the expenditures for the current fiscal year, will be approximately \$16,000,000. Unfortunately the panic under which the business of the country suffered so severely, beginning with the commencement of the panic in the month of October, 1907, lasted

longer than was anticipated, and business did not rally so that the business conditions were restored to normal as rapidly as those who have given attention to such subjects believe the business conditions would be restored. Assuming, therefore, in the month of October last that business conditions would be greatly benefited prior to the beginning of the next fiscal year, the Postmaster-General no doubt was justified in basing his estimate upon the probable increase of revenues during the current year of 8 per cent. Most unfortunately, Mr. Chairman, later developments disclose that the per cent named is much too high.

On the 1st day of January of the present year, taking the basis of inquiry which is used generally by the postal officials in ascertaining the estimates for the revenues, it appeared that for the first half of the current fiscal year instead of the revenues increasing at the rate of 8 per cent, the per cent of increase was but 2.56 per cent. Therefore, assuming 2.56 per cent as the basis of the increase of the postal revenues for the entire fiscal year ending June 30 next, instead of the postal deficit being as estimated in October last by the Postmaster-General approximately \$16,000,000, it would exceed \$26,000,000. I hope that the revenues will increase more than the 2.56 per cent, and of course would rejoice if they should reach the maximum of 8 per cent; but in the month of January, on the 26th day of that month, we will be justified in challenging the attention of the House and the committee to the probability at least of the revenues not increasing during the remainder of the fiscal year by 8 per cent. Therefore your committee, framing this measure as it did two or three weeks ago, feeling that the revenues would not increase 8 per cent during the fiscal year, gave the most careful attention to the items of appropriation in order that, first, the efficiency of the service might not be impaired by a curtailing of the appropriations; and, second, with a due regard to the proprieties, to the necessities, and to the merits of the various employees, that they should be afforded fair treatment in the items peculiarly applicable to the promotions.

The Postmaster-General, in that same report, estimated the increased revenues for the approaching fiscal year by 8 per cent, assuming that the revenues during the current year should increase 8 per cent, and during the next fiscal year should increase another 8 per cent, basing his estimates for expenditures upon his recommendations, made the calculation that the postal deficit for the fiscal year 1910 would be approximately \$16,000,000. I think there is far better reason to anticipate an increased per cent of the revenues during the fiscal year 1910 than during the current year, and therefore your committee has taken that element into account, and notwithstanding the heavy losses in the postal receipts and the probable heavy deficit during the current fiscal year, has made a very liberal recommendation for promotion purposes solely, and ample recommendation in its judgment to care for all the needed service so as not to impair its efficiency during the fiscal year 1910.

I think, Mr. Chairman, in a general way that will explain the general scope of this bill. The various items, many in number, and varying in degree, will be reached under the five-minute rule in the reading of the bill, and there would be perhaps more appropriate places to direct special attention to them. I will not undertake a detailed recital of these various items of the bill, but I suggest that after many weeks of inquiry and careful scrutiny of all of the estimates, the committee has come to a wise conclusion in its recommendations and makes such provision that it believes the House can justify its action in giving the bill the support of the House. I reserve the balance of my time. [Applause.]

Mr. MOON of Tennessee. Mr. Chairman, I desire only a few minutes on this bill. The House will observe that this is the largest bill ever presented for appropriations to the Post-Office Department since the Government began. Ten or twelve years ago the appropriation for the Post-Office Department was about \$89,000,000 per annum. This bill carries some two hundred and thirty-odd millions of money, and yet the postal facilities for the people of the United States are by no means adequate. If I were to prophesy, I should predict that if the people of the United States obtain the benefits from the mail service to which they are entitled within the next ten years, if this country progresses in population and material interests as it has in the past, this House will have presented to it a bill of not less than four hundred millions of money for the postal service. There is no extravagance, in my opinion, in the bill now presented. It is, perhaps, one of the cleanest bills that has ever come to this House. There are no appropriations that have been made, in my opinion, which could have been well left off and the public service properly subserved. There are many things it would have been well to have done which can not be done under this bill. We would have been pleased if the whole postal system and business methods of this department could

have been revised in this bill, but that is impossible under our rule. The postal commission has reported already, however, a bill for the purpose of codifying and revising the postal laws of the United States and establishing a modern system in place of the antiquated system now in vogue, which we hope to pass. I do not believe that under the present system of administration of the postal affairs of the United States, both in the department and postal service, that it would be possible, considering the question of transportation and all kindred questions connected with it in the Government, to come within ten or fifteen millions of dollars of what ought to be paid for the service that is rendered to this Government, not taking into consideration those ordinary errors in the service which always occur. At a later day of this session this committee hopes to present to the House the reorganization bill mentioned for the whole of this department, and in view of that fact there are many features which might have been attached to this bill which are not now necessary to be considered. There are some minor matters I shall refer to I would be glad to have seen in this bill if it were possible—an increase of salaries of clerks in post-offices and city and rural free-delivery carriers of the Government. I should have been much pleased to have seen that class of government employees called the "railway mail clerks" receive some further consideration at the hands of this Government. The great hazardous work that they undertake deserves it. It has been suggested that this Government shall pay to railway mail clerks a sum of money that will cover traveling expenses. Again, others are contending that the Government shall keep an account of the expenses of railway mail clerks and provide for the same.

I am not averse to an increase of the salaries of these clerks so as to cover any part of their proper expenses, or all, if the Federal Treasury were in a situation to bear every strain in the way of increase that has been suggested, but it is not in such a condition at this time, and any increase in salaries is not proper to any great extent. I do not like the suggestion by some gentlemen that we shall keep an account of the meals and lodgings of employees of the Government. It suggests an idea of care and paternalism on the part of the Federal Government over its employees that does not strike me kindly. I believe it would be better when we come to consider this question to give an increase of salary, so that these men may have the benefits of the suggestion that is made to grant them their expenses and yet leave them as competent and honorable men ought to live in the service, without being subject to the petty annoyance of keeping accounts themselves or to have accounts kept for them for their expenses. But these are suggestions in passing merely. We are told by the Committee on Appropriations that the Government is facing a very large deficit. It is insisted, and properly insisted, that each and all of the departments of this Government ought to retrench and reform as far as possible in expenses. The Committee on Post-Offices and Post-Roads concurred with the suggestion, and whatever the cause of the deficit may be, whatever may have brought it about, to whatever it may be traceable, it seemed to us that our patriotic duty was to make this bill as light as we could (although it is the largest bill ever made) consistent with the interests and welfare of the people, and to avoid all possible extravagance in administration. We felt that this committee, as the Rivers and Harbors Committee is compelled to do, as other committees of this House are compelled to do, must retrench as far as possible, so that the Government may meet properly the deficit, that the incoming administration shall be embarrassed as little as possible in conducting the affairs of government. It is not necessary that I go over the various features of this bill, so lucidly explained by the gentleman from Indiana, the chairman, although in general terms. I feel we can safely submit this measure to the House with the hope that there will be no serious effort to add to it a greater burden of expense to be borne by the Government than it contains, which we feel would be improper to be done under present conditions. [Applause.]

Mr. Chairman, I reserve the balance of my time, and now yield to the gentleman from Indiana [Mr. OVERSTREET].

Mr. OVERSTREET. Mr. Chairman, I yield twenty minutes to the gentleman from Connecticut [Mr. SPERRY].

Mr. SPERRY. Mr. Chairman, in the few minutes I am going to occupy the attention of the House on the appropriation bill now before us, I shall devote myself only to the salaries and conditions of the postal employees, the men who are the backbone of the entire system, our carriers and post-office clerks, supervisors, and railway mail clerks. These are the men who make it possible for us to receive our daily letters, our newspapers, and our packages. They are the men who, in all kinds of weather and under all sorts of conditions, give to the postal service the best that is in them, and the men who, in a large

measure, are responsible for the efficiency of our system. And I venture to say that there is nowhere a better set of men, a more faithful body of workers, nor, as a whole, a more honest force than these same clerks. I do not claim that they are perfect and that they do not make mistakes, but when you stop to consider the thousands upon thousands of letters and other matter going through the mails and note the few losses chargeable to the clerks who handle this mail matter, you marvel at the efficiency and the skill of these workers.

I may be pardoned for speaking perhaps from sentiment. I am intimately acquainted with the postal service. For nearly half a century I have been connected with postal affairs. I was for almost thirty years postmaster of New Haven, Conn., and ever since coming to Congress I have been on the Post-Office Committee. It is through this experience I have learned to love and honor the "boys" of the service. [Applause.] I am ready at all times to assist them, and to defend them when they need it. Ever since I have been a Member of this House I have advocated measures that I believe to be for their benefit and for the good of the public service.

Their requests this year—as is also true of former years—are not unreasonable. The clerks and carriers in our large post-offices were, a couple of sessions ago, divided into classes ranging from \$600 a year to \$1,200, but each year we are called upon to appropriate money enough to carry out this provision from the \$1,100 to the \$1,200 grade. This year we have appropriated enough in this bill to promote about 50 per cent of the clerks and carriers in the \$1,100 grade to the higher one. I wish it were a hundred per cent, but the committee decided otherwise, and I understand the clerks and carriers are not urging a change before the House at this time.

A peculiar condition of affairs arises in many instances in the case of supervisory clerks, those who direct the work of others, or those who have charge of stations. In my own district, especially in the city of New Haven, we have a number of very important stations of the main office. Some of these stations have carriers; one of them in particular does a very large money-order and registry business. The work of the superintendent in charge in all cases is very important and responsible, more so than in many of the post-offices where the postmaster's salary is \$2,000. And yet not a single man in my district in charge of a station gets more than \$1,200 a year. Some of the clerks under him get that much. The same conditions prevail in other sections of the country. It is not conducive to good discipline and to good service to have this state of affairs continue, and so the present bill, at least to a certain extent, takes care of this. I am told, from the calculation of the Post-Office Department, that between the grades of \$1,200 and \$1,800 there will be something like 400 promotions under this bill. This also ought to give to many superintendents in the main offices and their assistants increased salaries, all of which tends to improve the service.

While we have therefore increased and equalized the salaries of a great many of those employed in our post-offices in the present bill, the committee refused to grant the request of the railway mail clerks, which was for their per diem expenses while away from home. This proposition was voted down in committee, and I regret this action very much, for the clerks on our railway mail cars are perhaps the hardest worked of all. Their work is certainly more dangerous, more wearing, and they have to constantly keep studying.

There are about 14,000 of these clerks. In the last five years it is estimated that 76 men have been killed on duty, 541 have been seriously injured, and 2,346 slightly injured, making a total of 2,963 killed or injured. They get on an average a salary of \$1,152 a year. Out of this they have to pay for their own meals, and so forth, when away from home. Last summer the Post-Office Department ordered the clerks to keep track of their daily expenses, and from the facts gathered it was estimated that each man averaged \$132 per annum, making their total net salaries per man about \$1,000. These figures, as well as others I have mentioned, are furnished by the department.

What they were seeking from the committee was an allowance of not more than \$1 a day per man, little enough for each one; but, unfortunately, this amounts in the aggregate to \$2,000,000 a year, a large lump sum, but very small when you consider it is divided up among men all over the country. Their claim, in my opinion, is just and fair, and ought to be granted. I hope to see the day when this House votes to give these men the amount they now ask for, and I stand ready at any time to vote for it. The Post-Office Department favors it, and would see to it that the distribution of the funds would be fair and equitable. We ought to give the clerks this encouragement, and show them that we appreciate the good work they have done, in many instances under adverse conditions.

Now, let me call attention to the business side of this proposition. When a young man enters the postal service he expects to make it his life work. Each year increases his efficiency and his worth to the people he serves. But to keep him in the service, we must pay him money enough, otherwise he will leave, and a new man takes his place. This is bad for the post-office where he works or the postal route on which he distributes letters, and the service necessarily suffers in consequence. The people want their mail delivered promptly and correctly, and they are willing to pay for it. Keep the men we have in the service, the men who have learned the business, and the only way we can do this is by paying them fair wages and by treating them with the consideration they deserve.

I am one of those who believe that the postal service will never be self-supporting, certainly not under present conditions. We may cry economy here in Congress—and as a general proposition it is a good cry—but one thing is certain, the people do not want their mail facilities curtailed. They want it increased, if anything, and are willing to pay for it. Look at our rural free delivery, for instance. When we started that the cry went up that it would cost a great deal of money. It does; no doubt about that. But would our farmers and our citizens in the smaller towns and villages go back to the old system? I know they would not, and after all they pay for it and are entitled to it. [Applause.]

The people want to see their servants well paid. This great Government of ours does not want to get the reputation of being a close-fisted master. There is no department of the Government so close to the people as the Post-Office Department. We are all interested in it and want to see it grow and develop. We do not want to be in the same class with a gentleman in New Haven in the early sixties, who said that I ought to be hanged for trying to install letter boxes at the street corners. We want the best there is everywhere. The people demand it and will have it. And we, as the servants of the people, ought to give it to them. [Loud applause.]

Mr. OVERSTREET. Mr. Chairman, I yield ten minutes to the gentleman from Indiana [Mr. CHANEY].

Mr. CHANEY. Mr. Chairman, I am especially interested in this post-office appropriation bill. As has been said by my colleague [Mr. Moon of Tennessee] on the other side of the Chamber, it carries a greater appropriation than any bill of the kind has ever carried in the history of the Government. I see that for the year 1909 the amount is \$222,960,892. For 1910 the estimate is put at \$233,978,560, and there has been recommended for 1910 \$234,534,370. It is true that this is a large sum, but this is now a very large country. The interests and the demands of the people of the United States are such as to demand just such business as is shown by the report of the committee on this appropriation bill. Certainly no one is going to regard these items as extravagance, for there is certainly not an item in all the figures that are presented in this report that shows any extravagance whatever. It costs about this amount of money undoubtedly to do the postal business of the United States so that the people may have the proper interchange of opinion and the knowledge of the matters which they have a right to have in the course of the business operations of the country.

I want especially to call attention to the fact that in this bill there is no provision for paying any of the expenses of the railway mail clerks. These clerks have an expense each year of about \$152 to the man. Just why they should be expected to bear their own expenses when traveling and away from home in the interest of the United States is not exactly plain. And I, with the gentleman who has just taken his seat, believe there ought to be provision made to pay the expenses of the railway mail clerks. I understand there are about 14,000 of them in the service, and if we were to take what is shown to be their actual annual expenses, the amount appropriated should be \$2,128,000. Now, there is not a cent appropriated to pay the expenses of these clerks. I am certainly in favor, and I think the country would indorse it, of the proposition to pay their actual expenses. It is said that it will require a good deal of bookkeeping to find out just what the actual expenses are. It is no trouble to find out what the actual expenses are of clerks in the other departments. Certainly it requires some bookkeeping and requires some attention, but after all there are plenty of persons engaged for this purpose now drawing worthy salaries from the Government, and the Post-Office Department particularly, who could do this. Let these expense accounts be made out as other expense accounts, and sworn to. The railway mail clerks do not get a very large salary. It averages about eleven hundred and fifty dollars a year, and the amount I have mentioned—of \$152 a year in expenses—comes out of that salary. They necessarily are at this expense when away from their homes. There is not a dollar or a cent of

the above-mentioned expense charged up for any of their expenses when at home. Every one of the other traveling post-office people, as has been suggested—all the superintendents, special agents, and inspectors—have their expenses paid when they are on duty away from home.

Now, these clerks are such important persons that they attend to the details of all of the people's postal business. The people of the United States are more interested in getting their mail promptly and in getting it without mistakes than they are in any other branch of the service, and we all have to depend upon the accuracy and the promptness of the Railway Mail Service. I believe railway mail clerks as a class of men rank as high in their branch of the service as any class of men in all the services of the Government. Many of these men have "long runs" and necessarily are away from home a considerable portion of their time.

This section of the bill, on page 20, from line 11 to line 16, could be amended so as to include these clerks. I will read that paragraph of the bill as I should like to see it amended:

For actual and necessary expenses of division superintendents, assistant division superintendents, and chief clerks, Railway Mail Service, and railway postal clerks while actually traveling on the business of the Post-Office Department and away from their several designated quarters, \$2,023,000.

Instead of \$23,000, as here specified, it should be the amount I have named. I have added the two millions, which would be the amount calculated for each man at an expense of \$152 a year when away from home. I am therefore in favor of this traveling allowance item, which I have mentioned in connection with this bill. The railway postal clerks are certainly entitled to our serious consideration, and I agree with my friend from Connecticut [Mr. SPERRY] and indorse every word he has said.

The Railway Mail Service is probably the most nerve-racking occupation in the government service. Those in this service must keep their geography well in mind. They must study well the locations of all the post-offices in the country; they must also note the changes in the railroad schedules while off duty as well as on duty. Therefore they are practically never off duty. They are expected to dispatch the mail of the business world with accuracy and promptness. Then we might consider the hazard of this great work, as also suggested by the gentleman from Connecticut. The official records of the Post-Office Department, as I have been able to investigate them, give us the figures by which we can authoritatively state the situation in which those men are placed. The records of the Post-Office Department during the last five years do show that 76 clerks have been killed outright. Some of those clerks have been actually cremated in the burning wreck of the railroad cars on which they were traveling in the discharge of their duty. Others have been very greatly tortured, if not cremated, and maimed for life. I have in mind a railway mail clerk who lives in my congressional district, who was actually pinned down under a car for hours before he was released, and he was so seriously injured that he will never again be able to travel on a railroad car as a mail clerk; and out of consideration for his excellent services theretofore and the serious nature of his injuries he has been put in the railway mail office in Cincinnati, Ohio, in order that he may not be turned out like an old horse to die.

It is also stated, as suggested by my friend from Connecticut, that 541 clerks of the Railway Mail Service were seriously injured, 2,346 of them were slightly injured, making a grand total of 2,963 railway mail clerks either killed or injured in the discharge of their duty during that period of time. The railway mail clerks have a beneficial association through which they provide for the injured clerks and the families of those who are killed.

I understand also that this organization has dispersed in the course of the charitable operations of that organization over \$1,000,000. That, of course, came out of their salaries. Now, the Post-Office Department, as I understand, in order to simply reimburse that investment, recommend that the expenses of the railway mail clerks be provided for. In the course of the investigation made by the department it appears that the personal expenses of these men in the course of the necessary travel amount to nearly \$2,000,000 annually while away from their homes and terminals in the discharge of duty.

Mr. HEPBURN. Will the gentleman yield to me for a question?

Mr. CHANEY. Certainly.

Mr. HEPBURN. I would like to know what number of these 15,000 postal clerks are off duty one-half of the time? A very large proportion of them I know are; and I want to know if it is not the uniform practice of the department to let them run a week, or the week days of a week, and then give them a lay off for the next eight days. I know it is so in a large number of instances, but I do not know how extensive that is.

Mr. CHANEY. I am not able to answer the gentleman's question as to the extent of it. There is some arrangement of that sort.

Mr. HEPBURN. I have an impression that a large proportion of these men work less than half the time.

Mr. CHANEY. Well, I think it only operates when these railroad mail clerks have very long runs, where provision was made for them to be off duty for any specific length of time. The gentleman must be thinking of a regulation which existed several years ago.

Mr. LANDIS. Will my colleague permit a question?

Mr. CHANEY. Certainly.

Mr. LANDIS. Is it not true that during this period that the clerks are off duty, as the gentleman from Iowa suggests, that they put in that time in study of what is known as "the scheme," and that as a matter of fact the duty they perform when they are alleged to be off duty is almost as onerous as when on the train?

Mr. CHANEY. That is actually so.

Mr. LANDIS. I will state in this connection that at one time I had a brother in the Railway Mail Service who had six days off and six days on.

Mr. HEPBURN. Eight days off.

Mr. LANDIS. Six days off and six days on or eight days off and eight days on; and during the period that he was alleged to be off duty he worked continually. As a matter of fact, he worked harder then than when on the train performing the work of a railway mail clerk in distributing the mail.

Mr. SULLOWAY. May I suggest that he worked more than eight hours when out on a run.

Mr. LANDIS. Yes; his term of service while he was on the road was fourteen hours at a stretch.

Mr. SULLOWAY. Almost two days in one.

Mr. CHANEY. I think there is no question but that the remarks of these gentlemen fit very well into the speech which I am making.

Mr. OVERSTREET. I wish to suggest that this conversation relates to an antiquated state of affairs in the postal service as it formerly existed, and not to modern practices.

Mr. CHANEY. It may be said by some one that this proposition amounts to an increase of the salaries of these clerks, but I beg to say that it is in no respect an increase of salary; it is simply an appropriation of money by which they may be able to retain their present salaries. It is, therefore, simply a matter of justice, even-handed justice; for there is no reason why these people should, while serving the Government, pay their own expenses and pay out more than clerks who necessarily travel in the discharge of their respective duties in other departments of the Government. It seems to me that there can be no objection to granting to these valuable servants of the Government the amount of their expenses which they necessarily sustain. [Applause.]

Mr. OVERSTREET. I yield twenty minutes to the gentleman from Kansas [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, under the control of the Speaker of the House and the enormous power with which he is armed, can the individual Member properly discharge his duties to the Nation?

All important general legislation here may be properly divided into two kinds: General legislation which becomes permanent law, general legislation making appropriations for the current conduct of government. The rate law and the pure-food law, for instance, come under the first heading. The annual and permanent appropriations for the navy, the postal service, and other departments under the other.

I desire to confine myself to-day to the limitations of the Member in the matter of legislation making appropriations. There is a minimum of politics in this kind of legislation and there ought to be. Under the present system the responsibility of this legislation is confined largely to the Speaker and his cabinet; that is, the chairmen of the various appropriation committees. The individual Member has very little that is vital to do with it; and under the present rules and practices of the House he can not have.

And yet the matter of appropriations should be the concern of all. The one appalling thing in this Government is the tendency toward extravagance. The consideration of bills which open the doors of the Treasury occupies a major portion of the time of the body. The Members of the House are peculiarly the guardians of the public money. It is the House which originates these bills and first examines those branches of government which are asking for the right to expend. The several appropriation committees have hearings, consider the bill in hand, section by section, and report to the House. The chairman of the committee reporting a bill is the special champion of the reported measure. He feels called upon to protect

it from change. He combats amendments and he is usually able to defeat amendments, if out of order, by the power of a rule, and if in order, by the fact that the organization is able to bring quickly to the House an attendance which, by practice, votes "with the committee," which means that those who rush into the Chamber when a crisis has been reached in a contest vote "with the chairman."

It is therefore of prime importance to the mover of an amendment that he win over, not the House, but the chairman, for the chairman will deliver a majority of the House.

The chairmen are loyal to the Speaker. His request is powerful. Few chairmen would resist a suggestion from the Speaker. Therefore the Member who desired the chairman's favor of an amendment, if it is refused, has one appeal. The appeal is not to the House. It is to the Speaker.

Now, it happens that the average individual who comes to Congress has an idea of service to the Nation. Ordinarily he will run across some item of appropriation which he thinks should be changed. If he will go to the chairman and the Speaker, he may have the change effected. If he goes to the House, it is not at all likely that he will obtain a correction.

And some men will not go to the Speaker or to the chairman. The House is the most representative branch of the democracy. There is presumed to be a measure of equality for initiative action in the body. A fair presentation of any subject to the House was contemplated in the Constitution, a majority to reject or adopt. A petition of a Congressman to the Speaker or to a chairman—that is, a petition in the form of begging a favor—was not. And when a Congressman becomes a petitioner he is surrendering not only his own rights, but the rights of his constituency. Let no one deceive himself with the illusory hope that under a chance call of committees, as at present managed, and after the expiration of an hour, he has the floor in his own right. That is one chance in a lifetime, a chance that does not occur five times in a Congress.

Now, to some concrete cases. In 1907 Congress created an Immigration Commission. It is composed of three Congressmen, three Senators, and three citizens. It has already spent, according to the auditor, the enormous sum of \$333,000. This included a trip to Europe by some of the Members, the expenses of the trip, I am informed, being within bounds. There is no limit of time on the life of the commission. It has a large corps of employees, and their expenses are paid, not by specific appropriation, but out of a permanent fund supplied by the payment of a \$4 head tax on aliens.

Among the employees of the commission, I am told at the auditor's office, appears the name of Michael Clayton, who is engaged in secret-service work of some kind. He is paid over \$28 a day; that is, he has been paid \$20 a day compensation—\$8 per diem and traveling expenses in addition. His voucher for the month of March, 1908, is for \$1,025; that is, \$620, compensation; \$248, per diem; and \$157, traveling expenses. This is our secret-service man and not the President's. Now, I believe this is too high a wage for secret service. I think the majority of men in Congress so believe. Suppose, now, that so believing, I desired, not by supplicating anybody, but through legislation, to attempt to cut down this expenditure and any others like it I might find, how could I reach it? I might introduce a bill repealing a portion of the original law. I might even get my bill on the calendar. And I might then go to the Speaker for recognition to call it up. And that I will not do, because I believe that when I do I am contributing to a denial of representative government. I was sent down here in a representative capacity, not as a petitioner.

Now, for another concrete case. Part of the Michigan Central Railroad runs across a bridge below Niagara which, about thirty years ago, was made by act of Congress a post route. Part of the United States mail between Buffalo and Detroit passes over this bridge. On account of the bridge being expensive the railroad company asked both the United States and Canada for extra compensation. Canada refused this; the United States granted the railroad's demand. H. B. Ledyard, its president, was made a mail messenger, and the Michigan Central has been paid \$1,000 a year extra; that is, over and above the regular compensation. In twenty-three years \$23,000 has been so paid. A mail messenger is a man who carries the mail. Under no interpretation of the law can mail-messenger service be a railway postal route. I believe this payment is wrong. I believe the great majority here would so believe if they knew of it.

Mr. MADDEN. Will the gentleman permit a question?

Mr. MURDOCK. Yes.

Mr. MADDEN. Is the payment for this messenger specifically provided for in the post-office bill?

Mr. MURDOCK. Not at all.

Mr. MADDEN. Who authorizes it?

Mr. MURDOCK. I do not know.

Mr. MADDEN. Is it authorized by the Post-Office Committee or the House?

Mr. MURDOCK. Oh, not at all. It is not authorized by either. But suppose I attempted to correct it. I might write an amendment limiting the appropriation in the postal-supply bill. But if a point of order were made, I would be defeated by a ruling from the Chair, as I was when I attempted to have the House order the use of a correct divisor in the weighing of the mails, for the payment of this money to Mr. Ledyard has behind it, as that had, the long-continued practice of the department, and my amendment would be the fatal "change of law" not permitted on an appropriation bill.

Here is another case. We pay \$50,000 a year, by statute, for the carriage of the mails across the Eads Bridge, at St. Louis. We began this when this was the only bridge at St. Louis. If we paid for this service at regular rates for weight and car space, we would be paying something like \$15,000 a year. Since the passage of this law another bridge, the Merchants', has been built at St. Louis, and it is now owned by the same company which owns the Eads Bridge. Many railroads use it, and we pay in regular rates \$13,000 a year for the Merchants' Bridge. Now, \$50,000 a year is too great an expenditure for that service on the Eads Bridge by at least \$35,000.

Mr. BARTHOLDT. The bridge to which the gentleman has been referring is the very octopus that the people of St. Louis complain of; and for that reason I had to ask the House twice or three times for an extension of a charter, which has been granted by Congress, to enable the people of St. Louis to build a third bridge, in order to be relieved of that monopoly.

Mr. MURDOCK. I hope, when the third bridge is built, we will not continue to pay \$50,000 a year to the Eads Bridge on the theory that it is the only bridge across the Mississippi River. Now, suppose I should attempt to change that by amendment—

Mr. BENNET of New York. Will the gentleman yield to me for just a suggestion?

Mr. MURDOCK. Certainly.

Mr. BENNET of New York. I understand that a moment ago the gentleman made a little criticism of a rather high-priced man employed by the Immigration Commission.

Mr. MURDOCK. Let me get through with this proposition, and then I shall be glad to return to that subject.

Mr. BENNET of New York. Very well.

Mr. MURDOCK. Suppose I should attempt to change it by an amendment on the postal appropriation bill. A point of order would defeat it. Suppose I introduced a bill changing this bridge pay, succeeded in getting the bill out of committee and in the calendar. In the capacity of a suppliant I might be able to rise in my place and, having made previous arrangements, obtain recognition calling the bill up for consideration. But as I am not on the floor a petitioner, and as I would rise as a Representative or not at all, I would not be recognized "for that purpose."

Coming nearer home, every year the Members of this body sign for their mileage. A receipt is prepared in which, in a printed form, the distance a Member travels is entered. The preparation of the entire number of receipts is not more than a week's work, if that. The Sergeant-at-Arms' office has a full complement of clerks. But we pay yearly for this service an additional sum of \$500. This, beside millions which are appropriated, may seem trivial. It could not be given very serious consideration by the House, I know. But suppose I desired to do away with it. Having found it and identified it, I would have the right to attack it. But I would meet the opposition of a powerful chairman, the indifference of the House, or its inclination to "vote with the chairman." And in the end I would merely have my trouble for my pains. It would be infinitely more effective for me to prefer my objection to the item to the chairman as a petition. But I am not a petitioner.

No Member here ought to be a suppliant. His constituency's part in representative government is diminished by just so much when he becomes one.

Through the power of recognition, through the appointment of committees, and through the right of reference and his management of procedure, the Speaker has the control here. He exercises it through the chairmen. Of chairmen, loyalty to the Speaker is expected. Of Members, loyalty to the chairmen is expected. The control runs, not upward from the Members to the Speaker; it runs downward from the Speaker to the chairmen. These represent. The others petition. Now, the right of petition is a sacred one which I greatly value. But the right of representation is another matter. One carries a request. The other carries action in response to request. We as Representatives are supposed not to ask, but to act.

And now I challenge any Member of this body who is not a chairman of an appropriation committee to secure a correction,

through congressional action, in these four items I cited, over the opposition of the Speaker or without his consent or that of any of the chairmen. So far as I know, these items have not been presented before to Congress. The field is open. The trial can be made by amendments and by change of law. But there can be no successful issue of the trial unless the chairman of a committee consents in the case of the amendments, and unless the Speaker agrees to recognition in case of change of law. If no one will attempt it, I will myself later, but with no hope of success.

Now I will yield to the gentleman from New York.

Mr. BENNET of New York. I understood the gentleman's statement was that the immigration commission employed a man at \$20 a day and expenses for a short time.

Mr. MURDOCK. Let me give it to the gentleman correctly. They have paid \$20 a day compensation, \$8 per diem, and traveling expenses beside. I got hold of only one voucher, and I went through it carefully; it was for the month of March, 1908. It showed that this man had been paid \$620 compensation for the month, \$248 per diem, and \$157 traveling expenses in addition.

Mr. BENNET of New York. The gentleman's statement, I assume, is substantially correct. We did employ a high-priced man for a short time. We took him from where he was having a salary nearly, if not quite, as large as that, and two days after he left he was receiving the same salary. As a result of his work the entire Chinese inspection board from the southern boundary of California was removed and a new set appointed. The result has been that the steamer that has been bringing to the little Mexican port south of the California border 50 Chinamen a week, to be smuggled into our territory, now brings 6 and 7, and the Chinese are being smuggled in another way, which we are also onto. By using that man we have been able to make reforms, which will be reported to the House, saving as much as \$100,000.

Mr. MURDOCK. Does the gentleman contend that any member of the Secret Service is worth a wage of \$1,000 a month?

Mr. BENNET of New York. He is worth as much to this Government, or any other, as he is worth to the outside public.

Mr. MURDOCK. Then why did not you give him \$1,000 per month? Why did you give him the compensation of \$20, and on top of that an extra per diem of \$8, which I think is extravagant, and then on top of that traveling expenses?

Mr. BENNET of New York. Because that is the sum, or the rate of compensation, that he was drawing from private people, and is getting from the private people now, and doing the same kind of work. Where a man draws that compensation for doing that kind of work for private people, it is our business to pay him the same.

Mr. NORRIS. I would like to ask the gentleman a question.

Mr. MURDOCK. I will yield to the gentleman.

Mr. NORRIS. In the private service in which this man was engaged was his compensation paid in that way?

Mr. BENNET of New York. It amounts up to more than that.

Mr. NORRIS. Yes; but does he get a big salary and then a per diem, and then expenses besides?

Mr. BENNET of New York. Of that I am not advised. I know that within two days after he left us he went into new service where the compensation was greater.

Mr. MURDOCK. Then detectives are paid a great deal more than I thought they were. Now, the chief secret service of the United States is in the Post-Office Department, and I venture the assertion that the gentleman can not find a parallel case to that, and I doubt very much whether he can find, save at the head of the Pinkertons or at the head of the bureau, any man receiving a salary equal to that.

Mr. BENNET of New York. This man was as good as the chief of any agency.

Mr. MURDOCK. He ought to have been better.

Mr. BENNET of New York. I do not know but that he was. The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. MADDEN. I ask unanimous consent that the gentleman have ten minutes more.

The CHAIRMAN. The time is within the control of the gentleman from Indiana and the gentleman from Tennessee.

Mr. MOON of Tennessee. Mr. Chairman, I will yield to the gentleman ten minutes of my time.

Mr. OLMSTED. Will the gentleman yield?

Mr. MURDOCK. Certainly.

Mr. OLMSTED. I wish to ask the gentleman whether it is his inference, or if he means to convey to the committee the idea that the chairman of the committee would be without influence in the House if appointed otherwise than by the Speaker?

Mr. MURDOCK. Not at all; and none of the proposed rules that I have seen would tend to tear down the individual in this body. One of the purposes of a change of rules is to build them up.

Mr. OLMSTED. Does not the gentleman think that the influence of the chairman results from the fact that he has been for a long time on the committee and is more familiar with the subject-matter of the bill, and is so recognized by the other Members on the floor?

Mr. MURDOCK. In part; but superimposed upon that is also the arbitrary power that comes through the processes which I have been explaining.

Mr. BARTHOLDT. Will the gentleman permit another interruption?

Mr. MURDOCK. Yes; if you do not take up too much of my time.

Mr. BARTHOLDT. The gentleman says that he would not go to the Speaker or the chairman of a committee for fear he might thereby regard himself as a petitioner. Would he regard it in that light if he were to familiarize the chairman of the committee with the facts of the necessity of a public building in his district? Would that be a petition, or would it be a performance of his duty as a Member of the House?

Mr. MURDOCK. Not at all. In case of a contest, the only way to present any proposition is to present it in order, and under the rules, whatever the rules may be; and a Member ought to have the right, and it ought to be his sole privilege, to reach any proposition upon which there is a contest in order, and without superimposing upon the one duty the other private duty of personal appeal.

I know there are many Members here who believe in the present rules and their administration. I ask any one of these not a chairman of an appropriation committee to take his choice of any one of the items and attempt to make a change without asking permission. He may change his mind about the rules before he is through. Disraeli said the way to learn the rules of the House of Commons was by breaking them. The way to come to a full realization of the autocratic control of legislative power in the House of Representatives is to attempt a vital change without first asking the consent of the leadership.

There are several ways to break up the present system. If the House should select its own committees, and make the call of committees frequent and compulsory, the whole nature of the situation would change. The Speaker would lose power and the Member would have restored to him a measure of his original initiative. With a calendar under the control of the House, the Speaker would not have his present control over reported bills, and the individual Member would have occasionally the right of consideration for his reported measures without asking anybody's consent but the majority's. And the day will come when no Speaker will have the right to pass upon the purpose of a Member's request for recognition when the Member is in order, and another day will see open committee meetings. It was intended that this House should be the most characteristically representative branch of this representative Government. It can not be that with the concentration of control in the hands of a few men. A challenge of that control brings, and has brought at this session, a measure of relaxation in absolutism. A successful attack upon that control will lead to actual representation in fact. It is a consummation devoutly to be wished, and as popular desire in this country does ultimately prevail, it is a consummation that is inevitable. [Applause.]

Mr. MADDEN. I would like to ask the gentleman if by any rule that could be created the power of recognition could be taken away from the Speaker?

Mr. MURDOCK. I think that the House could limit the power of recognition in the Speaker.

Mr. MADDEN. The gentleman would not assume to say that the Speaker would not have the right to designate either of two men who rose at the same time asking for recognition.

Mr. MURDOCK. Certainly not; and in no legislative body in the world can the Speaker be prevented from choosing between two men who rise simultaneously.

Mr. MOON of Tennessee. Mr. Chairman, I now yield one hour to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Chairman, before starting in my argument, in order that I may not take up unnecessarily the time of the House, I ask permission now to revise and extend my remarks, and to print as an appendix to the same certain documents, letters, and other data to which I propose to refer and which I do not desire to read in full.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none.

Mr. RAINEY. Mr. Chairman, the building of a canal across the American Isthmus has occupied the attention of the world for four hundred years. While yet the sailors who crossed the sea with Columbus in his caravels were living and in all the vigor of mature manhood, a Spanish engineer drew the plans for an artificial waterway across the Isthmus and submitted them to the King of Spain. From that time to this the building of the Isthmian Canal has been the absorbing question in that part of the western world. On account of this undertaking, thousands of lives have been sacrificed, millions of treasure have been squandered and lost, and the dream of the centuries has not yet been realized.

In 1881 the French actually commenced the building of the canal. Flushed with his success in building the Suez Canal, the great French engineer, De Lesseps, as the head of the French company, entered enthusiastically upon the work. For seven years the work proceeded, and then the crash came and the scandals that astounded the world. In attempting to build the canal a tremendous sum of money had been expended. The judicial proceedings following the failure of the first French company disclose an orgy of corruption such as the world had never seen before. One hundred senators and deputies were charged with taking bribes. Ten senators were actually brought to trial, and De Lesseps himself was sentenced to five years in prison. The great engineer M. Eiffel was sentenced to two years in prison. Some capitalists committed suicide; others became exiles from France.

The French company failed on account of the graft which permeated it. Every person in France who had anything to sell, when no other purchaser could be found, sold it to the French company, and the officers of the company divided the graft among themselves. They built a house on the Isthmus of Panama for the director-general at an alleged cost of \$100,000. They built for him a summer home at La Boca, and the records show it cost \$150,000 to build it.

They fixed his salary at \$50,000 per year and then gave him an extra allowance of \$50 a day. Thousands of snow shovels were sold to the company and taken to the Isthmus of Panama for the purpose of shoveling snow off the right of way of the canal. They sent to the Isthmus 15,000 kerosene torches to be used in celebrating the completion of the canal. They set up a great dredge costing many thousands of dollars in the Culebra cut, to be used in dredging the cut, when the canal was sufficiently completed to admit water from the sea to that part of the canal. You can yet see in the jungles across the Isthmus great steel steamships brought from France, put together along the route of the canal, waiting now for the completion of the canal.

The organization of the New Panama Canal Company was effected in France on the 21st day of October, 1893, or perhaps it was actually organized a little later than that. This company was organized with a capital of \$13,000,000, largely contributed by penalized stockholders. Distinguished French citizens who had stolen money from the first company were compelled to disgorge and to use the money so stolen in the purchase of stock in the new company. The company in its operations may have expended its capital; they may have expended something in addition to that. How much they expended in addition to their capital can not be ascertained in this country at the present time from reliable data. The New Panama Company continued its operations until the date of the conveyance to the United States on the 23d day of April, 1904.

The expenditures made by the two French canal companies startled the world. The first company actually expended on the canal \$201,505,000. The amount expended by the new company can not be ascertained. It is hardly fair to call the \$13,000,000 contributed principally by penalized stockholders an additional expenditure, even if it was all paid in.

We have been operating on the Canal Zone now a little over four years, and we have appropriated to date on account of this enterprise \$170,964,468.58. The urgent deficiency estimate just made by our Canal Commission shows that, in addition to the above enormous appropriation, it will take \$5,458,000 to carry on the work on the canal to June 30, 1909, the end of this fiscal year. In other words, on the 30th day of June of this year we will have expended on the canal \$176,422,468.58. The expenditures made by the French in this enterprise startled the world, but we are face to face now with the fact that, assuming the French company got the \$40,000,000 we paid for it, we have expended now, in a little over four years, as much money as both the French companies expended in twenty-three years, and we have not lowered the bed of the canal an inch from where the French left it.

At the end of this fiscal year we will have expended on this canal more money than our engineers advised us, when the

canal rights were purchased from the French, would be required to complete the entire work, and no engineer is courageous enough now to say how much it will cost to build this canal. It has been earnestly insisted that \$500,000,000 will be required for the purpose of completing the work, and the junior Senator from Illinois, apparently at the suggestion of the administration, has introduced in the Senate a bill providing for a bond issue of \$500,000,000 for that purpose.

We entered upon the building of the canal with splendid enthusiasm. We believed we were about to realize the dream of centuries by joining the two great oceans of the world. We yielded to the romance of the situation. From far-off Spanish-American lands there came the lure of lost gold mines and buried gold. But the romance connected with operating among groves of mango trees and palm trees under southern skies is wearing off, and we are face to face with the real problems of canal construction. After spending this enormous sum, we are just beginning to realize that we have not yet been able to ascertain whether we propose to build a lock canal or a sea-level canal. We are just beginning to realize that we have but commenced the most stupendous task ever undertaken by any nation in the history of the world.

Our national honor is committed, however, to the building of this canal. It is impossible to turn back, even if we wanted to do so. If we find it impossible to build a lock canal at this point, we can build a sea-level canal. If we find it impossible to build even a sea-level canal at this point, there are other routes. [Applause.]

We propose to build this canal, but we are beginning to realize that we can complete it only at a cost that will astound the nations of the world.

If we are to carry this project through to a successful conclusion, we must avoid the graft which destroyed the French companies. It is not the part of wise statesmanship to dispose of resolutions asking for an investigation of any phase of the canal question with the sweeping and absolutely unsupported official declaration that there is nothing to investigate. It is not the part of sound statesmanship and true patriotism to attempt to revive the obsolete common-law remedies of two hundred years ago and to employ all the tremendous agencies of the Government in attempting to crush newspapers which have had the courage to call attention to a questionable transaction in connection with the canal. Public opinion even in Germany would not permit the German Emperor to do there at the present time what the President of the United States is trying to do here. Before I get through this afternoon I expect to demonstrate that there are things connected with our canal operations which need investigation—important matters affecting this administration and the next administration. [Applause on the Democratic side.]

It is to be regretted that the time of the President of the United States has been so much taken up with outdoor sports and among the pleasures of the lighter literature. He knows nothing of the drudgery, physical or mental, that is required to arrive at matters of fundamental importance.

Declarations of alleged facts that come with so much assurance and such frequency from the White House are not always entitled to the weight we would like to give to communications from the Chief Executive of the Nation. [Applause on the Democratic side.]

His statements with reference to Panama Canal matters are sometimes particularly inaccurate. To illustrate, I call attention to his special message of December 17, 1906, concerning the Panama Canal, sent to Congress soon after the President's return from his brief visit to the Isthmus in that year.

In this message, among other statements, he makes the following:

On the top notch of the Culebra cut the prism is as wide as it will be; all told, the canal bed at this point has now been sunk about 200 feet below what it originally was. It will have to be sunk about 130 feet farther.

The extract I have read contains three misstatements of fact. It could not contain more, for the simple reason that it contains only three statements of alleged fact. [Applause and laughter on the Democratic side.] In the first place, on the top notch of the Culebra cut the prism was not as wide then, and is not as wide now, as it will be necessary to make it. Secondly, the canal bed at this point at that time had not been lowered an inch, and it has not until a recent date been lowered an inch, at any point in the Culebra cut from the place where the French left it. Thirdly, it will not be necessary to sink the prism here 130 feet farther, even if we build a sea-level canal. [Applause.]

I simply mention this to show that the frequent hastily formed conclusions and ill-considered statements of the President are not always entitled to the respect we would like to give to the utterances of the Chief Executive of this great Nation.

When we are confronted with such possibilities as to the legitimate expenditure of public funds in this enterprise, we ought to carefully avoid the pitfalls and the graft which contributed to the defeat of the French. In a great national enterprise of this kind, involving large appropriations, we ought to start out by condemning in the strongest terms any effort to sell machinery, ships, or other supplies to the Government simply because some individual or company wants to get rid of them. It will take enough money to buy the things we actually need. I want to call attention to the fact that we have already started in the direction of the rocks upon which the French companies were wrecked.

The sundry civil appropriation act of May 27 last carried \$1,550,000 for the purpose of enabling the Secretary of War to purchase two steamships for the Panama Railroad Company. This item was not in the bill when it left the House. I have carefully searched the estimates for this fiscal year, and it appears that the Panama Canal Commission did not even ask for these ships. The commission asked for \$122,500 for floating equipment. They got over a million and a half dollars for the purpose of buying something they had not asked for, did not expect, and did not need. A careful examination of this item in the bill discloses the fact that it is so worded as to apply to only two ships. Under this appropriation it was possible to buy only two certain definite ships in all the world, the *Shawmut* and the *Tremont*. The Secretary of War was allowed absolutely no option. He was compelled by this clause in the law to buy these ships and to buy no others. The law required the Secretary to buy ships of not less than 9,000 gross registered tonnage, and of American registry. There are only three ships in the American merchant navy having over 9,000 gross registered tonnage and less than 10,786 gross registered tonnage. Two of these vessels are the ships owned by the Boston Steamship Company—the ships that were actually purchased. The third one is the steamship *Samland*, of the Red Star Line, owned by the International Mercantile Marine Company, of New Jersey. This vessel was not for sale, and even if it had been that fact would not have relieved the situation.

The law required the Secretary to buy two ships of this character, and the Boston Steamship Company were in a position to refuse to sell him either of their ships unless he bought both. The *Tremont* and the *Shawmut* were out of commission and tied up at the wharf in Seattle and were for sale. The Secretary bought them. He could do nothing else. If this item in the sundry civil bill had required the Secretary to buy ships of 5,000 gross registered tonnage and upward, he would have had 25 or 30 vessels owned by different companies to select from. If the act had required him to buy vessels of 2,500 tons and upward, vessels of the *Finance* and *Advance* type, he would have had over 80 vessels to select from. The announced policy of the commission has always been to purchase vessels of 6,000 gross registered tonnage and under that, and no vessel in the service owned by the railroad company is of a larger type than this. In fact, the best service seems to be obtained by the use of 2,500-ton vessels. Not long ago I made a trip to the Isthmus of Panama on the *Colon*, one of the ships purchased from the Ward Line, having a gross registered tonnage of a little less than 6,000, and it seemed to me this vessel had considerable difficulty following the winding channel into the harbor of Colon, and I was told that frequently when the wind was blowing from the north it was impossible for vessels even of this type to enter the harbor.

This expenditure for ships we do not want will eventually, in the near future, make necessary large appropriations for the purpose of dredging the harbor at Colon in order to enable them to enter. Our shipments of engines and heavy machinery to the Canal Zone ought not to be as heavy in the future as they have been heretofore. The vessels in commission are ample for the purpose of carrying men and supplies to the Isthmus. The expenditure of this money was absolutely unwarranted.

It may be interesting to know how this provision got in the bill. On the 28th day of January, 1908, the senior Senator from Massachusetts proposed an amendment to the sundry civil bill, and introduced the same in accordance with the rules of the Senate providing for the appropriation of \$1,600,000 for this purpose, specifying that the vessels so purchased must be vessels of at least 9,000 gross registered tonnage. On the 28th day of April, 1908, the same Senator again introduced an amendment, differently worded, but having in view the same object. When the bill finally passed, through the efforts of the

senior Senator from Massachusetts, it contained the clause to which I call attention, and so we are face to face, in the circumstances surrounding this appropriation, with the fact that the Canal Commission did not want and did not need the ships, but the constituents of the senior Senator from Massachusetts wanted to sell them, and therefore this enormous sum has been added to the Panama Canal expenditures.

In our merchant marine there are only the three steamships I have mentioned with a gross registered tonnage of between 9,000 and 10,786. The *Philadelphia* comes next with a registered tonnage of 10,786. Then comes the *New York* with a registered tonnage of 10,798. It would not be possible to buy these two ships for the amount appropriated, even if they were for sale, and there are at present in our merchant marine only seven vessels larger than the *New York*. It would not of course be possible to buy any two of them for the amount appropriated in this bill. These two vessels, out of commission—they were of no use whatever to their owners—tied up at the wharf at Seattle, were delivered to the Government on the first day of this month at Seattle. The statement made by the Isthmian Canal Commission recently is that they will probably require considerable repairs and changes in order to make them serviceable. These necessary repairs and changes will, in all probability, make necessary a larger appropriation than the total amount requested by the commission for floating equipment.

The somewhat astonishing statement is made by the Isthmian Canal Commission that the company selling them would not undertake the risk of bringing these abandoned ships around to New York unless the Government would agree to pay to the company the sum of \$56,000 for taking the risk.

For some weeks the secret agencies of the Government have been at work investigating the senior Senator from South Carolina. They have succeeded in discovering that he used his frank inadvertently in private correspondence, and so deprived the Government of revenues to the amount of 2 cents, and the matter was considered important enough to be embodied in a special message from the President to Congress. The senior Senator from Massachusetts, I believe, is still invited to White House dinners, is the President's friend and adviser and the Cabinet maker for the incoming President. I have not heard of any secret-service agents disturbing the senior Senator from Massachusetts, and yet he is, of record, directly, individually, and solely responsible for the fact that on the 1st day of January of this year, for the purposes I have named, there was taken out of the Treasury of the United States over \$1,000,000.

We have embarked now upon the stormy seas of Central American politics. Our flag is floating now on the Isthmus of Panama. It seems that the Constitution does not always follow the flag. In fact, it has not followed it at all in its recent ramblings, but a certain class of New York City financiers follow it and flock around it like vultures wherever it goes. They have followed it to the Isthmus of Panama and have already, under its sheltering folds, pounced down upon that defenseless little country. [Applause.]

They have taken everything in this country that is not nailed down, and now they have commenced their operations on the Isthmus of Panama. [Applause.]

I am making this speech for the purpose, among other things, of serving notice on certain gentlemen in New York City and elsewhere that I am not far from the right track. [Applause.]

It becomes necessary now to know something about Central American politics, and I desire to introduce to the country Señor Don Jose Domingo de Obaldia. [Laughter.] It is important to know something about the career of this interesting Spanish-American statesman.

He was born in David, Panama, in 1845. William Nelson Cromwell became attorney for the railroad company about the year 1904, and three or four years later he became general counsel in the United States and in Spanish-American countries for the new French Panama Canal Company. About the time of his latter employment he met Obaldia, and they have been closely and inseparably connected in canal matters ever since. Without Obaldia, Cromwell's career would have been impossible. Without Cromwell, Obaldia would have been impossible. Obaldia represents as no other Spanish-American statesman in his generation all that is corrupt in Spanish-American politics. Cromwell represents and stands for all that is most strongly to be condemned in present New York City financial methods. [Applause.]

His specialty is revolutions and canals. It is not possible now to say just what the connection of Cromwell was with the recent bloodless revolution in Panama, and with the equally necessary prior revolution in Colombia, which cost that country thousands of lives and millions of treasure.

In his examination before the Senate investigating committee he refused to reveal his connection with these events, upon the theory that he could not do so without betraying the confidence his clients had reposed in him. And so these two modern filibusters and buccaneers come down, arm in arm, through ten years of bloodshed and bribery and corruption and occupy today the center of the stage, high in the confidence of the present administration and the chosen advisers of the incoming President. [Applause on the Democratic side.]

I propose now to reveal the connection of these two gentlemen and of other gentlemen, whom I shall name hereafter, with a most atrocious attempt to ruin and despoil the little Republic of Panama and indirectly to rob the Treasury of the United States. I expect, as I go along, to submit the evidence sustaining what I propose to say.

The active public career of Obaldia commenced in 1903. It was necessary at that time, in order to carry out the plans of Cromwell, that Obaldia be elected to the Colombian Senate, and he was elected as a senator from the province of Panama to the Colombian legislature. The franchise of the New Panama Canal Company was about to expire and the Hay-Herran treaty was pending. There is nothing materially different in the Hay-Herran treaty from the convention that afterwards was entered into with the new Republic of Panama. The contemplated expenditure of money on our part was about the same. But the Hay-Herran treaty was defeated, principally because Colombia did not want to act through Cromwell as its fiscal agent, and Cromwell would not permit any part of the forty millions we were willing to pay the French canal company to go to the Republic of Colombia. The Colombian Congress were demanding, inasmuch as the franchise granted to the canal company expired in less than a year, and inasmuch as at that time the entire French holdings on the Isthmus would be forfeited to Colombia, that she, Colombia, ought to be permitted to collect from the canal company some portion of the \$40,000,000 we proposed to pay. It is interesting to note in this connection that among all the members of the Senate of Colombia, Obaldia was the only man who was willing to betray his country.

He was the only senator who supported in the Colombian Senate the Hay-Herran treaty, the only senator who denied to his country the right to demand any money from the new French Panama Canal Company in return for the \$40,000,000 worth of property that would, in less than twelve months, belong absolutely to Colombia. As soon as the treaty was defeated he resigned his place in the Colombian Senate. It is not a difficult matter for New York financiers of the Cromwell type to influence Spanish-American presidents, and immediately after the resignation of Obaldia from his position as a member of the Colombian Senate, President Marroquin, of Colombia, was persuaded to appoint him governor of the Province of Panama, and he was there—Johnny on the spot—in command of the armies of Panama, in charge of the arsenals, the armories, and the fortresses when the revolution of Cromwell occurred. [Applause.]

The Colombian Congress adjourned October 31, 1903, without confirming the Hay-Herran treaty. On November 2 the *Nashville* arrived at Colon ready to land a strong force of marines. November 3 was a red-letter day in the history of American diplomacy. On that day, the so-called "revolution" in Panama was pulled off. At 3.40 o'clock on the afternoon of November 3, the United States consul at Panama received from Mr. Loomis, the Assistant Secretary of State, the following telegram:

We are informed there has been an uprising on the Isthmus. Keep the department informed of everything without delay.

The consul of the United States at Panama immediately replied:

The uprising has not occurred yet. It is announced that it will take place this evening.

[Laughter.]

And at 9.50 o'clock on the evening of November 3 the Department of State received a telegram from our representative in Panama, which read:

The revolt took place this evening at 6. There has been no bloodshed.

[Laughter and applause.]

We recognized the independence of Panama at once, and entered into a convention with the new Republic, forever guaranteeing the independence of the Republic of Panama.

But the usefulness of Obaldia did not end there. After spending about two weeks quite comfortably in prison, he was promoted to the position of Second Vice-President of Panama, and soon afterwards, on the advice of Mr. Cromwell, was made the minister from the Republic of Panama to the United States, succeeding Bunau-Varilla. During the recent visit of Doctor Amador, until last October President of Panama, to the United

States and to Europe, Obaldia returned to Panama and acted as President of the Republic. On July 12, 1908, through the efforts of William Nelson Cromwell, ably assisted by Secretary Taft and the present administration, Obaldia was forced as President upon the Republic of Panama. It was absolutely necessary to do this in order to make possible the gigantic schemes for robbing and despoiling the Republic of Panama, and indirectly the Treasury of the United States, which I propose now to disclose.

But before proceeding with the discussion of that phase of the question it becomes necessary to get better acquainted with William Nelson Cromwell, and I will try to discuss that gentleman without libeling the Government of the United States, if it is possible to do so.

Mr. Cromwell was general counsel for the New Panama Canal Company in its relations with Colombia. After the independence of Panama he was the general counsel of the same company in its relations with Panama. He was in 1893 and is at the present time general counsel for the New Panama Canal Company in its relations with the United States. During a large portion of the last ten years, and at the present time, he was also of counsel for Mr. Harriman and his transcontinental railroads. How it is possible for a conscientious attorney to represent these conflicting interests is not apparent to an average lawyer like myself. [Applause.] He is also general counsel for the Panama Republic, and has held that position from the beginning of the career of the Panama Republic. He has been counsel for the Panama Railroad from about 1893 to the present time. He was counsel for the railroad company when the new French canal company owned over 68,000 of the 70,000 shares of that company. He is counsel now for the Panama Railroad Company, when the United States Government owns every one of the shares. He is also one of the directors of the Panama Railroad Company and Steamship Line.

These positions make him, as a matter of fact, an official of the United States Government. He acts as the fiscal agent of the Panama Republic. In 1899 and 1900 he held a power of attorney for the New Panama Canal Company to sell all the holdings of that company to any purchaser he might select for any sum he might be able to get. Immediately after obtaining this authority he started to organize an American syndicate to exploit the canal properties, the capital stock of the syndicate to be \$5,000,000. But about that time he succeeded in interesting prominent American politicians in his canal and in diverting attention from the Nicaragua project; and after having easily succeeded in getting \$3,000,000 out of the \$5,000,000 subscribed, he abandoned that project and commenced an attempt to sell to the United States Government for \$109,000,000. In an hour he dropped in price from \$109,000,000 to \$40,000,000, and the deal went through on that basis.

I propose hereafter to discuss the question as to how much of this \$40,000,000 ever reached the creditors and the shareholders of the French companies. [Applause.]

As a result of the purchase of the canal properties, the United States Government acquired nearly 69,000 shares of the Panama Railroad Company, and Mr. Cromwell, under the new ownership of the company, continued as general counsel of the company and as a director of the company, thereby becoming, in fact, one of the attorneys for the United States Government and an official of the Government.

This advisory capacity to the Government of the United States did not interrupt his activities as attorney for the new French canal company. A year after the \$40,000,000 had been apparently paid to the French companies, we find him as attorney for the new canal company, prosecuting a claim against the Government of the United States for \$2,200,000 more, which he claimed the company had expended upon their properties after the contract to sell was made with the United States, and before the money was actually paid by the United States. In the time which elapsed after the contract was made to sell and deliver the canal properties for \$40,000,000 to the United States and the time the delivery was made, we find that, under his administration of affairs, the French company sweated the properties—making no repairs except what were absolutely necessary—permitting the steamships owned by the company to fall into a condition of bad repair, in order to be able to pay on the canal shares the largest dividend ever paid.

During this interval, under his administration and control of the railroad properties, the railroad paid to the French canal company \$100,000 more than it earned. During this interval, while these tremendous dividends were being paid, the French company sold bonds from its treasury to make necessary repairs on the ships of the company. In other words, after the contract to sell was made to the United States Government and before the delivery was made, through the manipulations of Mr. Crom-

well, the French canal company was permitted to steal from the United States Government a million dollars or so, and tried to steal more than that. After the transfer was actually made and after he had become an officer in fact of the United States he became a party to an attempt to collect from the United States Government a fraudulent claim on the part of the canal company of \$2,200,000.

It is not readily apparent to the honest lawyer devoted to the ethics of his profession how an attorney making any sort of claims to ordinary common honesty and decency could undertake these various matters. [Applause.]

And through all the career I have described Mr. Cromwell has remained the trusted adviser of Secretary Taft and of the administration in all matters pertaining to the Isthmian Canal.

At his request John F. Wallace was appointed general superintendent of the Panama Railroad. On his advice and through his efforts that great engineer was humiliated and compelled to resign his positions on the Isthmus of Panama. Under his advice and through his efforts we bought the outstanding shares of the Panama Railroad Company, paying for some of them, according to his own statements, two or three times as much as shares in this railroad company had ever brought on any market.

He is the gentleman who keeps the minutes of the meetings of the board of directors of the Panama Railroad Company, and writes them up at his leisure and to suit himself after the adjournment of the board. He procured the appointment of his confidential clerk, Roger L. Farnham, as a member of the board of directors of the Panama Railroad. He owns 22 per cent of the shares in the ice plant and electric light plant upon the Isthmus of Panama. All interests in Panama look upon him as a friend at court. Through his influence his confidential clerk, Roger L. Farnham, was sent abroad on a commission, having for its object the expenditure of millions of dollars for the purchase of steamships for the Panama Railroad service. The sworn officers of the Government were for some reason disqualified for this service. And he also, in the United States, while Obaldia was here, acted as his general counsel.

I have stated only some of the functions this versatile attorney exercises in connection with our canal operations on the Isthmus of Panama, but I have stated enough to indicate the important connection of this gentleman with the present administration. [Applause on the Democratic side.]

It is not hard to explain why all the agencies of the Government are now being used in an attempt to indict certain newspapers for saying unkind things about Mr. Cromwell and some others. I will show before I get through this afternoon that Mr. Cromwell and some others, who seem to be peculiarly sensitive to newspaper criticism, are especially deserving of it. [Applause.]

Roger L. Farnham, the confidential clerk in the office of William Nelson Cromwell, was drawing two years ago only \$3,500 per year. His usefulness has increased to such an extent that if he is not now worth several million dollars, he soon will be.

Another gentleman I expect to mention later is so well known and has been so prominent in the public eye that it is not necessary to introduce him at the present time.

The situation on the Isthmus of Panama can not be understood without some information as to the method of conducting the Panama Railroad properties and the steamships owned by that company.

We own every share of the 70,000 shares of this railroad company. It is a New York corporation, supposed to be operated under the laws of that State. The charter of the organization and the law of the State of New York require that its directors be also shareholders in the organization. There are 13 directors, but every share of stock is locked up in the vaults of the Treasury building here in Washington, under direct control of the Secretary of War. In order to apparently comply with the law, each director is required to purchase a share of stock, upon which he pays \$10. He is then required to deposit his share of stock with the Secretary of War as security for the other \$90 due on the stock. If it becomes necessary to remove a director, the position taken is that the Secretary of War can immediately foreclose on the share so deposited for the deferred payment. Inasmuch as a director must be a shareholder, he can be in this way, if it becomes necessary, removed from the board without a moment's notice.

The deferred payments on the stock due from the directors were due the moment the stock was deposited to secure it. The theory is that the directors manage and control the railroad. In this way this Government studiously avoids the position of being the owner of the busiest railroad in all the world and the owner and operator of a line of steamships.

Stockholders' meetings, provided for in the charter, are held in an office in New York convenient to the office of William Nelson Cromwell. The Secretary of War appears at these meetings as the owner of every share of the 70,000 shares of stock except 13 shares, and these nominally stand in the names of the 13 directors of the railroad. Inasmuch as Mr. Cromwell writes up the minutes of both the stockholders' meetings and the directors' meetings after the meetings and when it is convenient for him to do so, what transpires at those meetings depends largely upon the accuracy of the memory of Mr. Cromwell. [Laughter and applause.] The directors' meetings are held in the same place.

Every member of the Isthmian Canal Commission is required to be also a director of the railroad and make a \$10 deposit on one share of stock. This disposes of seven of these places. There are six others to be filled. It goes without saying that William Nelson Cromwell is one of the six. His clerk and confidential secretary, Roger L. Farnham, is another, of course, and the interesting brotherly alliance between Mr. Cromwell and Señor Don Jose Domingo de Obaldia also continues, and our old friend Obaldia is a member also of the railroad commission. [Laughter.] Mr. E. A. Drake, who is at present, I think, superintendent of the railroad on the Isthmus, is, or was until recently, another director. None of these four are members of the Isthmian Canal Commission. It is necessary that there be the closest relations of trust and confidence between the Secretary of War and the directors of this railroad.

I will have occasion later on to refer again to Cromwell, Farnham, Obaldia, and Drake. [Applause.]

A year or two after the independence of Panama, the officials of that little Republic commenced to absorb ideas of patriotism peculiarly distasteful to Mr. Cromwell. They commenced to proceed upon the theory that the Republic they had helped to create really had some claims for existence and was destined to become of some importance in the western world. When they commenced to develop these ideas of civic duty and honesty, Mr. Cromwell determined to displace Doctor Amador and the other leaders of the Constitutional party in Panama and to put in as president some more pliant personage, less devoted to high ideals, and of course in such an emergency as that his attention was directed to his old friend and ally, Don Jose Domingo de Obaldia. Obaldia was a man after Cromwell's own heart; and so it was determined that Obaldia should abandon his very pleasant position in the city of Washington and become the president of the Republic of Panama. Cromwell and his friends had developed certain methods for despoiling and robbing that little country, and they did not propose to be interrupted in any way by the awakened public patriotism and honesty of Doctor Amador and his friends. [Laughter and applause.]

Obaldia was nominated for President by a very small and unimportant faction of the Constitutional party in Panama. There was no Liberal party at that time. In the enthusiasm following the independence of Panama, both parties had united. Obaldia had rough sailing. He received but little encouragement. Mr. Arias was the friend of the administration and the candidate of the Constitutional party. He had held an important position in the cabinet of President Amador and also entertained similar ideas with Doctor Amador, and was devoted to the same ideals as to his duty to his country. Doctor Amador had been requested to agree to certain plans determined upon by Cromwell for the spoliation of Panama. He had refused his official sanction, and it was well known on the Isthmus of Panama that Arias would also decline to be a tool in the hands of any man for the ruin of his country.

The campaign occurred on the Isthmus of Panama last summer, while this country was in the throes of the great battle for the Presidency. It attracted but little attention here. Just about the time Mr. Taft's campaign for the Presidency really opened up in earnest in this country, he left for Panama. He arrived on the Isthmus of Panama May 6 and left there May 18. His absence from the United States at that critical time in his career excited considerable comment in this country. The object of his visit to Panama does not appear of record—apparently at that time it was absolutely unnecessary. He did nothing on the Isthmus of Panama except to openly push the candidacy of Obaldia for the Presidency. His visit was regarded in that light by the citizens of Panama, and I have here a number of clippings from newspapers on the Isthmus of Panama bearing out this theory.

On the 11th day of May, 1908, the Panama Star and Herald commented editorially upon Mr. Taft's visit, and intimated that he was there in connection with the political situation. I have here a number of clippings on this subject from Panamanian

newspapers, showing almost conclusively that Mr. Taft was on the Isthmus of Panama in the interest of Obaldia. I will insert a number of them in the appendix to my speech.

The election for President of Panama occurred on the 12th day of July, 1908. On the 28th day of June, 1908, the battle ship *New Hampshire* and the battle ship *Idaho* arrived at Colon. Over a thousand marines were soon afterwards landed. The Tivoli Hotel was filled with United States Army officers, registered as civilians. On the 18th day of May Secretary Taft notified President Amador of the intention of the United States to place marines at the polls and to conduct the election for the citizens of Panama. I will publish extracts from this letter in the appendix to my speech. The proposition to President Amador was to station two Americans at every poll. This, of course, meant two American soldiers or marines. An American soldier or an American marine commands as much respect on the Isthmus of Panama as the average New York or Chicago policeman commands in the slum districts of those cities. It is no trouble to get men to vote in some wards in our cities as the police dictate. American marines stationed at every polling place in the Republic of Panama, every one of them for Obaldia, would mean, of course, the election of Obaldia.

Mr. Squires, the American minister to Panama, was openly for Arias. After the return of Mr. Taft to the United States, Mr. Squires was required to come to Washington. He went back to Panama openly for Obaldia. His visit to Washington at that time was made necessary by no other fact than the fact that it was necessary to have him become openly an adherent of Obaldia.

There is contained in the letter from Secretary Taft to Doctor Amador a very thinly veiled threat to seize the Republic of Panama if Obaldia was not elected. In order to prevent this, Arias withdrew on the 4th day of July last, just eight days before the election. I have secured a copy of his letter of withdrawal, and I will publish it in full in the appendix to my speech. He withdrew from the race on account of the interference of Secretary Taft in the elections in Panama. This left Obaldia with no opponent at all. A very small vote was cast at the elections. Obaldia was elected, and in October, 1908, was inaugurated. Immediately following the withdrawal of Mr. Arias from the race, Cromwell gave out to the *New York Herald* an interview expressing the greatest gratification over the withdrawal of Mr. Arias. [Laughter.]

On the 1st day of September, 1908, President Amador sent his farewell message to the general assembly of Panama. That message marks the withdrawal of this old statesman from the stormy politics of Central America. I will publish in the appendix to my speech some extracts from his message. In his message he directly charges Secretary Taft with forcing the Constitutional party from the field in Panama and with compelling the election of Obaldia. The proof I have here, and which I will print in full in the Record, establishes absolutely the combination between Secretary Taft, representing this Government, and Cromwell and his friends to force upon Panama the election of Obaldia. [Applause on the Democratic side.]

Mr. Cromwell's plans for the spoliation of that country are now in operation on the Isthmus of Panama.

Not long ago Mr. Cromwell testified before the Senate investigating committee that he received no compensation for his services as attorney for the Republic of Panama. In reply to a question asked by Senator SIMMONS as to what the inducement was that prompted him to render that service to the Republic his reply was:

The broad instinct of good nature which has prompted me to do so much work for that cause, Senator, and the other consideration that I have more money than I need, unfortunately.

I regret exceedingly that I can not agree with Mr. Cromwell as to the motives for his activity in connection with this little Republic.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOON of Tennessee. I yield thirty minutes more to the gentleman from Illinois.

Mr. RAINEY. The Republic of Panama possesses two sources of income, and only two—her immense forests and the income she gets from her invested funds. Under a clause in the constitution of Panama, \$6,000,000 of the \$10,000,000 we paid her for canal rights is invested in New York securities. It is unnecessary for me to say that William Nelson Cromwell is the gentleman who has charge and absolute control of this enormous investment. It yields about \$265,000 a year. This investment is to continue a sacred trust forever. In the year 1913, under the Hay-Bunau-Varilla treaty, we commence to pay as rental for the Canal Zone, to the Republic of Panama, \$250,000 per year. In this way we seek to prevent the Republic of Panama from becoming

ing a charge on our revenues. Having guaranteed the independence of the Republic of Panama, it becomes necessary for us, as a matter of common honesty, to protect the revenues of that little Government until they are able to take care of themselves.

The plan of Mr. Cromwell and his associates is to absolutely appropriate to their own use the revenues of the Republic and to steal the forests and the public lands. The necessity for Mr. Taft's interference and for the election of Obaldia becomes now as plain as day.

There is pending now in the General Assembly of Panama the most infamous railroad proposition ever submitted to any Government. That infant Republic has had no experience in building or managing railroads. This proposition is being seriously considered and about to be adopted by the General Assembly.

Randolph G. Ward, of the city of New York, is the person who appears of record in the matter, and who seeks to get for his successors, his heirs or assigns, most valuable concessions. His proposition is to build a railroad from Panama to David, a distance of 441.59 kilometers. The proposed charter, however, provides that the railroad may be 450 kilometers long. In fact, the charter provides for a number of spurs and extensions.

The road is to be built along the line of the survey for the Pan-American Railroad. The Pan-American Railroad as surveyed runs through the present Republic of Panama from Costa Rica to Colombia on the Pacific slope. David is a small city near the boundary of Costa Rica west of the city of Panama. The proposition provides for a grant of 1,000 hectares of land for each kilometer of railroad built. If they only build the line from David to Panama, this means a grant of 450,000 hectares of land. For building this line alone this company is to get over 1,125,000 acres of land, and they are to be permitted to locate the land where they please along the line of the survey of the Pan-American Railroad from Panama to Colombia. In other words, with their right of way and tracks, they appropriate the line of survey from Panama west to Costa Rica, and then are to be permitted to take possession of over a million acres of land along the line of the survey east from Panama to Colombia, where they do not propose now to build a railroad, thus shutting out any rival east-to-west railroad on the Isthmus of Panama, and there is only room for one east-to-west road on that narrow strip of land.

The timber in the Republic of Panama is the best and most valuable in all the world at the present time. It will be easier and cheaper to get lumber from the Republic of Panama to our Atlantic coast cities than it is now to get lumber from our States in the West and Northwest to those points.

No surveys of any importance have ever been made in Panama. It is impossible to state the extent of her immense forests. If the Gatun dam is a possibility, it will create a lake covering 225 square miles, reaching valuable timber lands. The area of forests in the district of Colon alone comprise 15,000 square miles. The forests are all owned by the Government. An effort was made by the Bureau of Forestry last year to obtain information with reference to the forests of Panama. Mr. Kellogg, our consul at Colon, complied with the request and sent what available data there was. Mr. Arnold Shanklin, the American consul-general at Panama, failed to make any report at all. Mr. Shanklin evidently feels that he owes his position there to William Nelson Cromwell. On account of his failure to report, no man in this country knows, except Mr. Cromwell and his associates, anything about the immense timber resources of that section of the Republic of Panama.

The timber in Panama does not grow on inaccessible mountain slopes and in valleys difficult to reach. The country is not particularly mountainous. Roads are not difficult to build. The building of a few roads opening up the immense forests of Panama ought to make the timber alone on the public lands in Panama worth an immense sum—more than the timber is worth upon our own timbered lands in the West.

The forests sought to be obtained by this concession ought to yield in the course of the next fifty years between five hundred million and one billion dollars.

The charter provides for an issue of bonds known as "class A bonds" to the amount of \$3,300,000, and for an issue of bonds known as "class B bonds" amounting to \$5,500,000. Both bond issues draw interest at 4½ per cent. The Government is asked to pledge the entire revenue from its fixed investments in New York to the payment of the interest on the class B bonds. The class B bonds, according to the report of the Pan-American survey, are sufficient in amount to pay the entire expenses of building this railroad except the expense for steel rails and laying the same. It is only proposed to lay 56-pound rails. To pay the interest on the class B bonds would require every year \$247,500. In other words, the New York

investments of the Republic of Panama would yield just about enough money to pay the interest on these bonds.

It would be easy, of course, under these circumstances to build this road. In addition to these propositions the charter proposed provides for a grant to the railroad of the entire water front of the city of Panama—

From the northeast bastion of the city southward and westward along the present boundaries of the city to an intersection with the boundary of the Canal Zone at the extremity of a point of land projecting out into the sea in the direction of a small island.

The proposed charter gives the company the right to fill up the harbor of Panama for an indefinite distance out into the sea. It authorizes the company to build there its railroad terminals, shops, and so forth, and to use the reclaimed land for any purpose the railroad may desire, including dry docks. The charter authorizes the company to build subways under the present city of Panama in order to reach this proposed reclaimed section. In other words, this infamous proposal contemplates shutting out the present city of Panama from the sea and building in front of it, along the most beautiful bay in the world, a new city, to be owned absolutely by this railroad company.

The city of Panama is not in the Canal Zone. It is especially exempted by the Hay-Bunau-Varilla treaty. The Canal Zone extends across the Isthmus occupying a strip of land 5 miles wide on each side of the "canal to be built." The cities of Panama and Colon would be included within this strip if it were not for the fact that the treaty contains the proviso that these cities are not to be included in the Canal Zone. The railroad company we own very recently expended \$2,000,000 in building a pier out into the sea so as to enable vessels to take on freight and discharge freight in a convenient manner. I think some of the bonds issued for this purpose are still outstanding. The concession sought will deprive us of valuable privileges and to a large extent, perhaps completely, would destroy the utility of the great dock we have built there and own. The voice of this administration has not been heard protesting against this infamous proposal.

The reclaimed land reaches the old site of the proposed Sosa locks and dam just at the Pacific Ocean shore line. The plan for building locks here, however, seems to be temporarily abandoned. But if we propose to build dry docks to be operated in connection with the canal, there is no better place than this to build them. This company, however, proposes to occupy this site themselves, and the United States Government hereafter can acquire rights there, if this proposition goes through, only by condemnation proceedings.

Let me call attention to the fact that the gentlemen who are back of this railroad scheme, if they stand in with the administration here and with the Canal Commission, can get this land reclaimed with no expense whatever to them.

Immense excavations are to be made on the site of the locks nearest the Pacific Ocean shore line, and there will be considerable excavation between the Pacific Ocean shore line and the site of the Pedro-Miguel locks and dam. Then there is the great Culebra Cut only 6 miles away, with its limitless supply of material for filling in the ocean front of the city of Panama. The harbor of Panama is not a particularly inconvenient place for dumping clay and sand and rock excavated from the Culebra and Obispo cuts. I simply make this suggestion in order to show the possibilities connected with this infamous proposal.

The charter provides that the revenues derived from the sale of reclaimed lands in the Bay of Panama shall be applied, first, to the cost of reclaiming the lands, and then to the payment of the interest and the principal on the class A bonds. In other words, by this proposition these gentlemen expect to obtain the forests and all the public lands of any value on the Pacific slope of the Republic of Panama and to absorb all the revenue the Republic derives from its New York investments. This is the only definite and sure source of income the Republic has at the present time. And the gentlemen back of this scheme also expect to get the entire water front of the city of Panama for an indefinite distance out in the sea, and to build there on lands that will be among the most valuable in the world, when the canal is completed, a city of their own. They propose to stand there at the Pacific gateway of the canal, which the people of this country expect to build at an enormous cost, and to levy tribute upon the canal and the city and Republic of Panama, and indirectly upon the people of the United States. This proposition is being seriously considered in the general assembly of Panama; and if the speech I am now making does not awaken the public conscience in this country and in Panama, the charter will be agreed to at an early date. I will publish this proposed charter in full in the appendix to my speech.

In addition to all this, a group of American financiers is seeking to obtain possession of all the timbered lands in the Republic of Panama on the Atlantic slope. This project for the spoliation of the country is not having such clear sailing as the other. Some opposition to it has been occasioned by the fact that the people of Panama have learned of efforts to bribe the officials of the former administration by the gentlemen interested in this project, and on account of that fact they are suspicious. They do not realize yet that the immense timber resources of Panama are of any value to the country. The forests have never been exploited, and what little timber has been taken out and shipped to New York was rudely fashioned with the ax for shipment. There are no sawmills on the Isthmus of Panama of any importance.

These two schemes are proceeding with such absolute harmony, and there seems to be such a concerted agreement, that neither is to impinge upon the other, that I am driven to the conclusion they are being promoted by the same gentlemen.

It will be interesting to know who the gentlemen are who are attempting in this way to impoverish the Republic of Panama. The proposition is not a new one. John Ehrman, the son-in-law of Doctor Amador, presented the contract to Doctor Amador for his approval before the expiration of his term of office as president of Panama. Doctor Amador refused to approve it. This was one of the things which brought about the activity of Mr. Cromwell in the elections of last July, resulting in the success of Obaldia. After the term of office of Obaldia commenced, the contract was presented to Obaldia and it has now been signed by that gentleman.

They have a law on the Isthmus of Panama which prevents the President from giving away over 5,000 hectares of land. This makes it probably necessary, as I understand the situation, to get the approval of the General Assembly for this proposed grant. At any rate the promoters of this scheme think it would be safer to have it, and they are trying now to get it.

On the night of Sunday, December 27, certain members of the General Assembly of Panama were invited to the palace of the President. The President explained to them the conditions of the proposed timber concession. Some inquisitive members of the assembly on that occasion demanded that they be permitted to know the names of the responsible parties back of John Ehrman. They insisted they had the right to know who Ehrman really represented. At that time and on that occasion Obaldia told them that Mr. Ehrman represented the following citizens of the United States—

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. MOON of Tennessee. I will yield to the gentleman ten minutes more.

Mr. OVERSTREET. How far has the time been used, Mr. Chairman? What is the division?

The CHAIRMAN. The gentleman from Indiana has used one hour and fifteen minutes and the gentleman from Tennessee has used one hour and forty-six minutes.

Mr. OVERSTREET. I think the other side is rather encroaching upon the time. We are endeavoring to divide the time equally, and there are several gentlemen who wish to speak.

Mr. RAINEY. I think I will get through in ten minutes.

Mr. OVERSTREET. Will the gentleman say that he will not ask for another increase of time?

Mr. RAINEY. The gentleman ought not to ask me to make that pledge.

Mr. MOON of Tennessee. I have yielded ten minutes to the gentleman.

The CHAIRMAN. The Chair desires to state that under the rules of the House not more than an hour can be yielded to any one man without unanimous consent.

Mr. RAINEY. I will get through in ten minutes.

The CHAIRMAN. Without objection, the gentleman from Illinois is recognized for ten minutes.

Mr. RAINEY. Mr. Chairman, I want to say that this is not the last speech I am going to make on the Panama Canal question. [Applause on the Democratic side.]

On Sunday night, the 27th day of December, Obaldia called to his palace certain members of the general assembly, and they then and at that time demanded of him to know who the men were back of John Ehrman, representing that John Ehrman had no particular financial standing, and at that time they were told that the men who were back of this infamous, outrageous scheme were William Nelson Cromwell; Roger L. Farnham, his confidential clerk; W. S. Harvey; and Charles P. Taft. [Applause on the Democratic side.]

Meetings are now being held in the public parks of Panama protesting against the proposed contract. It is being vigorously defended by the administration. It is not difficult to influence some Spanish-American statesmen. Efforts to bribe the former administration in this particular are openly discussed and practically admitted in Panama, and it may be that the potent influences of Mr. Cromwell will yet prevail.

I incorporate in the appendix to my speech a number of letters on this subject. Among others, a letter from La Guardia, one of Obaldia's opponents, charging that the attempt is to secure this valuable concession for the benefit of a foreign syndicate, and calling attention to the attempts to bribe government officials in the matter. This letter brought a reply from Ramon M. Valdes, a member of the cabinet of Obaldia, on behalf of Obaldia. I have had the reply translated, and I incorporate the same in the appendix to my speech.

Señor Valdes states that Obaldia, on account of his high position as President of the Republic of Panama, can not reply to his critics. Therefore he, Valdes, makes the reply for him. It will be noted in this connection that the present President of the United States is not afflicted with any delicacy of this character. Valdes in his reply simply bases his defense upon a letter written by Doctor Amador on the 31st day of December, 1908. I will also print this letter in the appendix to my speech.

In this letter this old statesman declines to go further than to say:

I never told anyone that a sum of money was offered to me.

He does not deny that the attempt to bribe was made. He states that Mr. Drake, a former member of the board of directors of the Panama Railroad Company, was active in attempting to get him to sign the contract, and his letter contains the following significant statement with reference to the private secretary and the confidential agent of William Nelson Cromwell:

It was Mr. Farnham who on many accounts insisted that I should make the contract, assuring me in a short time he and his family would be very rich.

Doctor Amador also states that Ramon M. Valdes, while a private citizen, was active in promoting this particular contract, and it is interesting in this connection to note that Ramon M. Valdes was so useful to Mr. Cromwell that in the changes effected there by him in the recent elections Señor Valdes became the secretary of state for Obaldia, and it is Señor Valdes who makes the defense for Obaldia.

Unless public sentiment is awakened in this country at once, and unless this administration interferes in some way on the Isthmus of Panama, both of these contracts will go through and the complete impoverishment of that country will follow as a matter of course. The Panamanians are wards of this Government. We ought to protect them until they are able to take care of themselves. We have guaranteed forever the independence of the Republic of Panama. In good faith we ought to enforce this provision not only as against all other governments, but as against those citizens of the United States, the friends and advisers of this administration and the next administration, who are proposing these infamous schemes.

Since the election of last November bread lines have commenced to form in the streets of our principal cities, and to-day in the Capital City, on Pennsylvania avenue, under the shadow of the Dome of the Capitol, a bread line appears daily, constantly increasing in length. If we permit the scheme of William Nelson Cromwell, Roger L. Farnham, and the others to go through on the Isthmus of Panama, this Government will have there a bread line containing 400,000 people.

The men who are attempting to steal and to appropriate to their own use the revenues of this Republic are in reality about to impose enormous additional burdens upon the Treasury of the United States. To-day the deficit in the Treasury is over \$74,000,000. If we permit these men to rob the Republic of Panama, we will place upon the United States the oppressive burden of providing a government for 400,000 people there.

Over three hundred years ago Morgan, the buccaneer, the original buccaneer on this continent, advanced across the Isthmus of Panama with fire and with sword, murdering men, torturing women and children, leaving in his wake the smoking ruins of destroyed cities. But he did not work half as much destruction on the Isthmus of Panama as these modern buccaneers of finance are trying to work.

Now, our duty ought to be plain. We guaranteed their independence on the Isthmus of Panama against all nations of the world. We ought to guarantee their independence against the outrageous demands of these modern buccaneers of finance. [Applause on the Democratic side.]

I do not charge that the gentleman who will be inaugurated President of the United States on the 4th day of March is a party to this infamous scheme for robbing this little coun-

try. I have only presented the evidence. His friendship for Cromwell; his selection of Cromwell, Farnham, Drake, and Obaldia as members of the board of directors of the Panama Railroad; his continued indorsements of both Cromwell and Farnham; his interference on the Isthmus of Panama, which compelled the election of a corrupt statesman, absolutely under the control of Cromwell, as President of that Republic—all these things and other things for which the present administration is responsible—made possible the signing of the contract by Obaldia which may bring to the gentlemen interested therein riches beyond the dreams of avarice. It will not be long, if this scheme goes through, before the campaign contributions made by some of the gentlemen interested in this enterprise will be returned a hundredfold.

There are pending to-day in the Senate of the United States certain treaties affecting Colombia and Panama. It is impossible to tell just what these treaties contain—no man knows except officials connected with the State Department and members of the Committee on Foreign Relations of the Senate. I might say, however, that William Nelson Cromwell and his secretary, Roger L. Farnham, while not connected with the State Department, have been actively engaged here with the representatives of Colombia and Panama for two or three weeks promoting these treaties.

It is understood that these treaties are for the purpose of adjusting certain boundary-line disputes between Panama and Colombia, and a certain claim on the part of Colombia that Panama should contribute to the payment of the public debt of Colombia, as it stood at the time of the independence of Panama. It is currently reported that in these treaties, which await now the confirmation of the Senate of the United States, and after that the confirmation of the Senate of Colombia, there is a provision that Panama within a definite period, probably within the next ten years, must pay to Colombia an indemnity of a million dollars or more, and it is also understood that the United States guarantees the payment of this immense sum. We are therefore already assuming the burden of providing out of our Treasury for the Republic of Panama.

If we permit the plans of Mr. Cromwell and his associates to go through on the Isthmus of Panama, and if these treaties are confirmed, there will be no revenues in Panama out of which to pay this indemnity. The United States Government will be called upon to pay it all, and if these plans for the spoliation of Panama proceed to a successful conclusion it will not be long until immense burdens of a different character connected with Panama will be imposed upon our Treasury.

These patriotic gentlemen, therefore, are being permitted not only to rob the Republic of Panama, but indirectly to rob the Treasury of the United States, and in their efforts in this direction they have had so far the complete cooperation and the active assistance of the present administration and of the next President of the United States. [Long-continued applause.]

APPENDIX.

THE TIMBER RESOURCES OF PANAMA.

DEPARTMENT OF COMMERCE AND LABOR,
BUREAU OF MANUFACTURES,
Washington, January 15, 1909.

HON. HENRY T. RAINEY,
House of Representatives.

DEAR MR. RAINEY: Your letter of the 11th instant, addressed to the Chief of the Bureau of Statistics, has been referred to this office for reply. The timber resources of the various countries of the world was the subject of a special investigation last year, which was made upon the request of the Bureau of Forestry and ordered by the State Department, the investigations and reports being made by the various consular officers stationed abroad. These reports from some countries are very complete, while from others the information is rather vague. Some consular officers made no reports, including Mr. Arnold Shanklin, the American consul-general at Panama. A brief report on Panama was made by Consul James C. Kellogg, at Colon, which I take pleasure in forwarding to you herewith for perusal. The Forestry Bureau made very limited use of these reports, and this bureau has under consideration their publication in extenso. Would ask, therefore, that you kindly return the report within a few days.

Very truly, yours,

JOHN M. CARSON,
Chief of Bureau.

SUPPLY AND DEMAND FOR LUMBER IN FOREIGN COUNTRIES.

[Copy of report forwarded with above letter.]

1. For several years no wood has been exported from the district of Colon. The estimated amount imported during the year 1907 was 4,486 tons, all of which came from the United States, and in the form of boards, planks, scantling, and flooring, the latter rough or planed with tongue and groove, which costs in the local markets from 4 to 5 cents a square foot. In addition ready-made doors and blinds are imported from the United States, which cost from \$4 to \$7 a pair.
2. Formerly logs of cedar, cocobolo, and mahogany were exported to the United States and England, the larger portion going to England. These logs were sold for 50 cents a cubic foot. Until recently a small sawmill located at Porto Bello cut up cedar logs into boards and scantling for the local market, which sold for 4 cents a square foot.

This mill has, however, suspended operations on account of scarcity of labor and lack of roads.

3. All of the wood imported comes from the United States with the exception of a small amount of cedar and other hard woods, which is exported from the Atrato River, Colombia, cut up into boards, scantling, and flooring, retailing at the same price as the American lumber, which latter consists of pitch pine, with the exception of a small amount of planed boards of white pine.

4. The Republic of Panama is fully capable of producing all the wood consumed at home.

5. The only measures necessary in order to supply the demand are securing more labor and building proper roads through the forests, which are immense in extent, virtually intact, and requiring no measures to increase their productiveness.

7. Judging from the vast areas of virgin forests to be found in the countries of South and Central America, it is reasonable to suppose that those countries would be able, for generations, to supply the demand of the nations for wood. Of course, in time, their supply would be diminished, and it would become necessary, in order that their forest resources should not become totally exhausted, to inaugurate a system of forestry supervision, as has been practiced in France and Germany for many years, and which, during the last twenty years, has also been adopted in the United States.

8. The area of forests in the district of Colon comprises about 15,000 square miles, and contains enough wood to supply the Republic of Panama, so I am told, for hundreds of years. The only reason why lumber is imported is because there is a lack of labor, public roads, and machinery; the little that has been exported has been shaped with axes. The forests are owned by the Government, and the expenditures and revenues on them amount to practically nothing. There are no statistics showing the yield in wood, nor the extent of the present stand. As far as I can ascertain, there is very little exploiting of the forests either by the Government or private individuals.

9. The estimated annual per capita consumption of wood in the district of Colon amounts to 598 pounds.

10. The kinds of hard woods found in the forests are lignum vitae, cocobolo, mahogany, cedar, balsam, hard palms, and innumerable other kinds of hard and soft woods with native names.

11. There is a duty of 10 per cent ad valorem on all kinds of wood, but no export duty.

JAMES C. KELLOGG, Consul.

COLON, PANAMA, July 4, 1908.

HOW THE UNITED STATES DOES NOT OWN A RAILROAD AND A LINE OF STEAMSHIPS.

Extract from the hearings before the Committee on Inter-oceanic Canals, in the United States Senate, February 27, 1906:

"Senator MORGAN. We own the railroad absolutely, do we not?"

"Mr. CROMWELL. Of course you know—you do not mean that, speaking as a lawyer? You mean that in colloquial terms we own it?"

"Senator MORGAN. Is there anything about it that we do not own?"

"Mr. CROMWELL. No, sir; I am speaking only as a matter of law. Of course the United States does not own the railroad."

"Senator MORGAN. Is there any piece of property down there belonging to the railroad company that we do not own?"

"Mr. CROMWELL. It is all covered by the capital stock of the corporation, and the United States Government owns every single share of that capital stock."

"Senator MORGAN. Is it covered by the capital stock?"

"Mr. CROMWELL. Yes, sir."

"Senator MORGAN. But we have also got the actual possession of all the property that belongs to that railroad?"

"Mr. CROMWELL. The railroad has possession of its own property, and the United States Government has possession of the railroad through the ownership of the stock."

"Senator MORGAN. Yes. Well, it is hard to divide between the two. The railroad owns the property?"

"Mr. CROMWELL. How is it, any more than it is to consider the ownership of a bank? Suppose you own some shares in the stock of a bank. If you own all the shares, you do not own the bank, but you own the shares."

"Senator MORGAN. If you own the bank and all the money in the bank and all its cash—"

"Mr. CROMWELL. You can not if you own the shares."

"Senator MORGAN. You can not?"

"Mr. CROMWELL. No, sir; of course not. You can not violate law and disregard the legal relations. Of course not."

"Senator MORGAN. We seem to have done it."

"Mr. CROMWELL. We have done nothing of the kind. We have preserved it with greatest respect. The United States has preserved its status."

"Senator MORGAN. The United States owns all the stock?"

"Mr. CROMWELL. Yes."

"Senator MORGAN. And all the stock covers all the property?"

"Mr. CROMWELL. Yes."

"Senator MORGAN. And the United States is not the owner of the property, either in law or in equity?"

"Mr. CROMWELL. I did not say in equity."

"Senator MORGAN. I am asking about law and equity both."

"Mr. CROMWELL. I was talking of law."

"Senator MORGAN. Let us talk about both."

"Mr. CROMWELL. I am quite willing."

"Senator MORGAN. The United States owns all the stock?"

"Mr. CROMWELL. Yes, sir."

"Senator MORGAN. And the stock covers all the property?"

"Mr. CROMWELL. That is right."

"Senator MORGAN. How is it that the United States, either in law or in equity, is not the owner of the stock and property?"

"Mr. CROMWELL. Because there is a legal entity intervening, and that legal entity is the Panama Railroad Corporation, a regularly chartered corporation of the State of New York, having its duties to the State of New York, its duties as a common carrier, and all the obligations of a corporation."

"Senator MORGAN. Is it that legal entity that you represent as a director?"

"Mr. CROMWELL. I am a director, one of the thirteen; yes, sir."

"Senator MORGAN. Representing that legal entity?"

"Mr. CROMWELL. Representing that corporation, that legal entity."

"Senator MORGAN. How about the legal entity you have just described? Do you represent that?"

"Mr. CROMWELL. I am one of thirteen directors of that legal entity."

"Senator MORGAN. How much stock do you own in the railroad?"

"Mr. CROMWELL. One share, sir."

"Senator MORGAN. I thought you said that the United States owned it all?"

"Mr. CROMWELL. I will now proceed to describe to you how I own that one share."

"Senator MORGAN. No; you said yesterday very emphatically, and repeated it two or three times, that the United States owned every share of the stock in that company?"

"Mr. CROMWELL. It does own every share."

"Senator MORGAN. Then, if it belongs to the United States, it does not belong to you."

"Mr. CROMWELL. I told you, also, that I would describe to you how we had qualified the thirteen directors."

"Senator MORGAN. How you had prepared them for office?"

"Mr. CROMWELL. Yes, sir."

"Senator MORGAN. Let us see how that was done. That is a process that I wanted to understand."

"Mr. CROMWELL. I will tell you how that was done. Under the laws—and I question the wisdom of my making this statement, as a matter of public record, but I am called upon to do it—"

"Senator MORGAN. It is always wiser to tell the truth, if you can do it."

"Mr. CROMWELL. It is sometimes imprudent to disclose your affairs to the public."

"Senator MORGAN. Yes."

"Mr. CROMWELL. But the responsibility is upon you and not upon me for that."

"Senator MORGAN. You are not under any professional obligation not to do it?"

"Mr. CROMWELL. No, sir."

"Senator MORGAN. Go ahead, then. That is the first time I have found you free."

"Mr. CROMWELL. In order to maintain the legal entity intact and the corporate functions it is necessary that each director be in law an owner of at least one share of stock."

"Senator MORGAN. Under what law is that?"

"Mr. CROMWELL. The New York state law."

"Senator MORGAN. Yes."

"Mr. CROMWELL. Accordingly, each of the 13 directors has made an agreement with the United States Government, in writing, by which they agree to deliver that share to the United States at any time, upon the call of the United States, and have indorsed the certificate therefor and returned and delivered it to the Treasury of the United States."

"Senator MORGAN. And have delivered it?"

"Mr. CROMWELL. Certainly; so that the United States, in its Treasury—and you may walk over there in five minutes and see them in the Treasury Department—has every single physical share of the stock. Thirteen of them, however, stand in the names of the 13 directors, who have paid upon account a small sum, in order to make the transaction one of absolute legality, with the right and option upon the part of the United States to take back the share upon payment of the balance, the United States protecting itself, first, by the agreement of each of these directors; and, second, by the physical possession of the certificate of stock itself, indorsed by each director. That transaction qualifies each director under the law, but protects the United States in the possession of the certificates."

"Senator MORGAN. So to speak. I do not believe it."

"Senator TALIAFERRO. Does not the law require bona fide ownership?"

"Mr. CROMWELL. I think that is bona fide ownership in the sense of the law, in the sense that each director paid upon account a certain sum, giving to the United States the right to call for the share and take it by paying the balance."

"Senator MORGAN. Did you prepare this arrangement?"

"Mr. CROMWELL. I assisted the Secretary of War in making the arrangement."

"Senator MORGAN. As counsel of the Panama Railroad?"

"Mr. CROMWELL. As counsel of the Panama Railroad; yes, sir."

"Senator MORGAN. Was it not your plan?"

"Mr. CROMWELL. It was a joint discussion as to how we should qualify the directors."

"Senator MORGAN. You prepared the plan and then discussed it with the Secretary of War, did you not?"

"Mr. CROMWELL. We discussed it and I projected it. I prepared the draft paper; yes."

"Senator MORGAN. You prepared the paper and discussed it with the Secretary of War; so that it was your invention?"

"Mr. CROMWELL. It was no invention. It is a common practice. There was nothing original about it, Senator. I do not claim any patent upon it."

"Senator MORGAN. It may be a common practice, but I can say that it is the first time I have ever heard of it. You have not got the physical possession, as you call it, of that certificate of stock?"

"Mr. CROMWELL. Individually? Personally, you mean?"

"Senator MORGAN. Yes."

"Mr. CROMWELL. No, sir."

"Senator MORGAN. And you have indorsed it to the Government?"

"Mr. CROMWELL. Absolutely."

"Senator MORGAN. And it is in the Treasury of the United States?"

"Mr. CROMWELL. Every share."

"Senator MORGAN. What more, then, do you hold in regard to your office of director than a power of attorney from the United States Government to act as director in that railroad?"

"Mr. CROMWELL. I would not care to qualify it, sir, otherwise than as I have mentioned."

"Senator MORGAN. How about Mr. Farnham's stock?"

"Mr. CROMWELL. The same thing."

"Senator MORGAN. When did he first get any stock in this road?"

"Mr. CROMWELL. At the same moment—I mean, at this time—at the last annual meeting."

"Senator MORGAN. He got the stock?"

"Mr. CROMWELL. At the last annual meeting he was qualified in the same way that I have described."

"Senator MORGAN. Was he an owner of any stock before that time?"

"Mr. CROMWELL. No, sir."

"Senator MORGAN. He got his one share under exactly the circumstances that you got yours?"

"Mr. CROMWELL. Absolutely. Every director did the same."

"Senator MORGAN. Who issued that share to him?"

"Mr. CROMWELL. The department."

"Senator MORGAN. The department?
 "Mr. CROMWELL. Yes, sir.
 "Senator MORGAN. Out of the stock owned by the United States?
 "Mr. CROMWELL. Yes, sir.
 "Senator MORGAN. What did he pay for it?
 "Mr. CROMWELL. The transaction was as I have described.
 "Senator MORGAN. Do you know the particular share of stock that Mr. Farnham holds relation to?
 "Mr. CROMWELL. The one share?
 "Senator MORGAN. Yes.
 "Mr. CROMWELL. The number can be furnished; certainly.
 "Senator MORGAN. Who owned that stock before he got the right to it?
 "Mr. CROMWELL. The Government of the United States.
 "Senator MORGAN. Who did the Government get it from?
 "Mr. CROMWELL. It was a part of these shares that it acquired from the canal company.
 "Senator MORGAN. It was a part of the shares that came over from the canal company?
 "Mr. CROMWELL. Yes; they qualified the 13 directors in that way.
 "Senator MORGAN. The Government of the United States took a share of the stock—
 "Mr. CROMWELL. And qualified each one of the directors.
 "Senator MORGAN. Wait a minute. I am an old man, and I can not keep up with you, so I hope you will allow me to finish my question.
 "Mr. CROMWELL. I beg your pardon.
 "Senator MORGAN. The Government of the United States, then, out of the shares that it had received from the Panama Canal Company, and that had been delivered into what you call its physical possession—
 "Mr. CROMWELL. Yes; actual possession.
 "Senator MORGAN (continuing). Put one of these shares in the hands of Mr. Farnham?
 "Mr. CROMWELL. It did not put it in his hands at all.
 "Senator MORGAN. What then?
 "Mr. CROMWELL. In his name.
 "Senator MORGAN. It put it in his name?
 "Mr. CROMWELL. Yes.
 "Senator MORGAN. And gave him authority to vote it as a director?
 "Mr. CROMWELL. Certainly.
 "Senator MORGAN. By whom was he elected a director on that business?
 "Mr. CROMWELL. By the stockholders.
 "Senator MORGAN. When?
 "Mr. CROMWELL. At the last annual meeting—April, 1905.
 "Senator MORGAN. Where was that held?
 "Mr. CROMWELL. At New York City, the office of the company.
 "Senator MORGAN. What stockholders were present?
 "Mr. CROMWELL. All the stock.
 "Senator MORGAN. All the stock was represented?
 "Mr. CROMWELL. Every single share was represented.
 "Senator MORGAN. By the owner or by proxies?
 "Mr. CROMWELL. The owner, by proxy, being the United States Government.
 "Senator MORGAN. The United States Government at that time owned all these shares?
 "Mr. CROMWELL. I think they did.
 "Senator MORGAN. And its commissioners were all directors?
 "Mr. CROMWELL. Yes.
 "Senator MORGAN. Comprising seven?
 "Mr. CROMWELL. Seven, and qualified in precisely the same way.
 "Senator MORGAN. They were there?
 "Mr. CROMWELL. Yes, sir.
 "Senator MORGAN. And you were there?
 "Mr. CROMWELL. Yes, sir.
 "Senator MORGAN. What other outside stockholders were there? That made eight." (S. Doc. 401, 2d sess., 59th Cong., vol. 2, p. 1125.)

HOW MUCH WE HAVE EXPENDED ON THE PANAMA CANAL.

ISTHMIAN CANAL COMMISSION,
 Washington Office, January 19, 1909.

Hon. HENRY T. RAINEY,
 House of Representatives, Washington, D. C.

SIR: In compliance with the request contained in your letter of the 16th instant, I have the honor to inclose herewith a statement showing the total appropriations made by Congress for the construction of the Isthmian Canal to date, and the balance unexpended December 1, 1908. Very respectfully,

RUFUS A. LANE,
 Assistant to the Chief of Office.

Appropriations made by Congress for the construction of the Isthmian Canal.

Purchase of canal rights, June 28, 1902	\$40,000,000.00
Purchase of Canal Zone rights, April 28, 1904	10,000,000.00
Construction of canal, June 28, 1902	10,000,000.00
Construction of canal, December 21, 1905	11,000,000.00
Construction of canal, February 27, 1906	5,990,786.00
Construction of canal, June 30, 1906:	
Expenses in the United States	\$368,242.69
Construction, engineering, and administration	21,018,537.24
Civil administration	968,200.00
Sanitation and hospitals	2,101,435.15
Reequipment of Panama Railroad	1,000,000.00
Total	25,456,415.08
Construction of canal, March 4, 1907:	
Expenses in the United States	253,000.00
Construction, engineering, and administration	20,366,000.00
Civil administration	825,000.00
Sanitation and hospitals	2,034,000.00
Reequipment of Panama Railroad	1,385,000.00
Purchase of Panama Railroad bonds	2,298,367.50
Total	27,161,367.50
Construction of canal, February 15, 1908:	
Expenses in the United States	18,600.00
Construction, engineering, and administration	11,990,400.00
Sanitation and hospitals	169,900.00
Total	12,178,900.00

Construction of canal, May 27, 1908:	
Expenses in the United States	\$176,000.00
Construction, engineering, and administration	24,535,000.00
Civil administration	241,000.00
Sanitation and hospitals	1,575,000.00
Purchase of two ships for Panama Railroad Company	1,550,000.00
Reequipment of Panama Railroad Company	1,100,000.00
Total	\$29,177,000.00

Total appropriations to date 170,964,468.58

Balance unexpended December 1, 1908.

In United States Treasury	\$21,844,700.45
In hands of disbursing officers	2,317,369.81
Total	24,162,070.26

MEMORANDUM.—To the above total should be added the amount of the estimated deficiency for this fiscal year, to wit, \$5,456,000, in order to obtain the total that will be appropriated on the 30th day of June of this year.

HENRY T. RAINEY.

SECRETARY TAFT'S VISIT TO ISTHMUS.

[Panama Star and Herald, May 11, 1908.]

The visit to the Isthmus of the Hon. William H. Taft, United States Secretary of War, is an event out of the ordinary and one that has given rise to much speculation. * * * It has been asserted, for instance, that Mr. Taft's visit here is in connection with the political situation. It is true that the presidential campaign is being conducted with some fervor, but it is not easy to see why this should attract the attention of the United States Minister, as no American interests are involved and no overt violation of any treaty arrangement or breach of public order has occurred or is likely.

MR. SQUIRES'S VISIT.

[Panama Star and Herald, June 15, 1908.]

In view of the delicate political situation in the country when probable American intervention is the topic of the hour, it is easy to understand that the presence of Minister Squires is necessary at the State Department, in order that he may furnish detailed information regarding the conditions here such as could not well be communicated over the wires.

PANAMA TO BE SEIZED BY AMERICAN ARMY.

[Panama Journal, June 26, 1908.]

WASHINGTON, D. C., June 22, 1908.

After a fevered existence of four years, the Republic of Panama is to be snuffed out, in fact if not in name. An American army is to be dispatched to the Isthmus as soon as Secretaries Taft and Metcalf can make the arrangements.

The Republic is to be seized, all right. The only question is as to how the work of straightening out its affairs is to be done. Secretary Taft and William Nelson Cromwell, the administration's Pooh-Bah on Panama affairs, decided that the seizure could not be longer delayed.

SIX HUNDRED MARINES FOR PANAMA.

[Panama Journal, June 24, 1908.]

WASHINGTON.

In anticipation of election riots in Panama, President Roosevelt has ordered 600 additional officers and enlisted men of the Marine Corps to proceed at once to the Canal Zone. Besides this, there are 300 marines on board the *Tacoma* and *Prairie* sailing for there. They will be placed at various places, a certain number being placed at each polling precinct to prevent fraud. The battle ships *New Hampshire* and *Idaho* are ordered to leave New York for Colon on Sunday.

HURRYING MARINES TO ISTHMUS MAY SUPPRESS REPUBLIC.

[Panama Journal, June 27, 1908.]

WASHINGTON, D. C.

A force of 1,800 marines will be assembled in the Canal Zone in less than a month to overhaul President Amador, of Panama, and if warrant is found, to seize the toy Republic and establish a provisional government. Two hundred of the expeditionary force are on their way now. The first detachment started from Philadelphia on the auxiliary cruiser *Prairie* on June 8, and the second hundred on the cruiser *Tacoma* from the same station.

AMERICANS AT THE POLLS.

[Panama Journal, June 25, 1908.]

Now that the talk of American intervention in Panama has subsided, we now give the exact position which these Yankees will occupy at the forthcoming elections. We have been told by well-informed persons that every launch in the service of the Isthmian Canal Commission has been requisitioned by the Zone Government to convey sailors or United States marines to the different electoral districts of the Republic, where they will preside at the polls during the 28th instant and the 12th of July next in numbers of from 5 to 20 at each poll, while others will be in the districts held in readiness for any emergency during the elections, and it is stated that at least 100 United States blue jackets will be stationed in Panama ready for any duty. The days are now counted by hours, and we will watch every action in this matter with the keenest interest for the benefit of our readers.

AMERICAN INTERVENTION.

[Panama Star and Herald, June 15, 1908.]

Article 136 of the national constitution reads:

"The Government of the United States of America can intervene in any part of the Republic of Panama for the purpose of establishing the public peace and constitutional order in event of same having been dis-

turbed, in case, by virtue of public treaty, that nation assumes, or will have assumed, the obligation to guarantee the independence and sovereignty of this Republic."

In view of the above and the history-making epoch through which the Republic of Panama is at present laboring, the following questions present themselves to us and require thorough elucidation:

"Is American intervention in the Republic of Panama constitutionally legal? Most certainly, yes."

"Can the American Government intervene at will? No; because according to article 136, quoted above, the only object of intervention is the restoration of public peace and order, when that peace and order have been disturbed."

"Has the public peace of Panama been disturbed? No."

"Has even the constitutional order been violated? No; emphatically, no."

"Then for what reason or on account of what occurrences has American intervention been forced upon us at the present time?"

This last question is the question constantly before all Isthmians, with the exception of the followers of Mr. Obaldia, who have really sought and requested this intervention as a weapon in the coming electoral battle.

On election day, God forbid it, there may pass in Panama something which, like the explosion of the *Maine* in Cuba, may serve as a cause so that all of us remain enmeshed in the common conflagration, for it is not true that the Americans are to-day, in the world, the heralds of purity of suffrage, and that solely through love of this purity do they come to break lances in a foreign land, whilst in their own country the recollection that ballot boxes, full of ballots, were thrown into the muddy waters of the Mississippi still remains fresh.

THE MARINES LANDED AT COLON.

[The New York Herald, Sunday, June 28, 1908.]

COLON, PANAMA, Saturday.

The American battle ship *New Hampshire* arrived here at twenty minutes to 8 o'clock last night, and the battle ship *Idaho* came in at 7 o'clock this morning. Both vessels are anchored in the roadstead and have large contingents of marines on board. Three hundred marines from the battle ships were landed at Cristobal this morning and sent to Mount Hope, where the Isthmian Canal Commission storehouse containing United States property valued at more than a million dollars is located, and at other points along the line.

The cruiser *Prairie* is now lying alongside pier No. 11 at Cristobal with a full complement of men in readiness to protect property at that place. Col. E. K. Cole is in command of the American troops on the Isthmus.

ARMY SECRETLY WATCHES PANAMA.

[New York Herald, Tuesday, June 30, 1908.]

(By Mexican cable to the Herald, Panama, via Galveston, Tex., Monday.)

These United States Army officers here on a secret-service mission have been at the Hotel Tivoli since last Tuesday, registered as civilians under correct names, but from different cities:

"Lieut. Col. Benjamin Alvord, Capt. W. S. Scott, Lieut. J. S. Johnson, Capt. M. B. Stokes, Capt. H. D. Wise, Capt. H. P. Miller, Capt. Wert Robinson, Capt. T. W. Darrah, Capt. P. E. Traub, Capt. Arthur Thayer, and Captain Meehan."

The above paper also announces that officers are stationed at the Hotel Tivoli, registered as private citizens. When their identity was discovered, they asked that their identity be not made known.

EXTRACTS FROM LETTER OF WILLIAM H. TAFT, THREATENING INTERVENTION.

I venture to suggest to your excellency, therefore, that in view of the charges which have been made, the wisest course for your Government to take is to give into the hands of a person admittedly impartial, as between Señor Arias and Señor Obaldia, the administration of the interior department having control of the election machinery, and that you arrange with the zone authorities to allow two Americans at each polling district in the Republic to be present in the booths to watch the voting and to witness the count, so that there may be available impartial witnesses as to the fairness of the election.

You are authorized to say to President Amador that the Government of the United States will consider any attempt at the election of a successor by fraudulent methods, which deny to a large part of the people opportunity to vote, constitutes a disturbance of public order which under Panama's constitution requires intervention, and this Government will not permit Panama to pass into the hands of one so elected.

I submit this memorandum to your excellency in the presence of the American minister, Mr. Squires, and Commissioner Blackburn, the one representing the State Department and the other the commission.

With the earnest hope that the great catastrophe of a fraudulent election may be avoided, I beg to subscribe myself, most sincerely,

Your excellency's obedient servant,

WILLIAM H. TAFT.

The above extracts are from the letter of Secretary Taft while on the Isthmus of Panama, directed to President Amador, and dated at Culebra, Canal Zone, May 18, 1908, published in Panama Star and Herald, June 22, 1908.

SEÑOR ARIAS'S RENUNCIATION.

[Panama Star and Herald, July 6, 1908.]

Yesterday Señor Don Ricardo Arias, candidate of the Constitutional party for the presidency, on perceiving that American intervention was near, it being very probable that trouble would ensue during the coming election, and the Liberal party refusing to come to a harmonious agreement, and desiring above all not to imperil the political independence of his country, declared his intention of withdrawing from the contest.

Señor Arias's letter of renunciation, addressed to the directorate of the Constitutional party, follows:

PANAMA, July 4, 1908.

To the Members of the National Directorate of the Constitutional Party.

GENTLEMEN: The events which have come to pass in the present electoral campaign, bearing as they do an international aspect, are well known and do not require recounting.

These events plainly demonstrate the imminent peril of the military occupation of this country by forces of the United States of America, the which would be a death blow to our national life. The whole country understands how inevitable this is, and what grave peril it involves, and for this reason it behooves us to avoid at all cost even the remotest probability of having to lament irreparable evils.

Moreover, as the sound political elements of the country, whose unanimous concurrence alone could lend aid to a stable and vigorous government, who could give impulse to the internal organization of the country, and who could present a proper solution of the grave exterior problems which confront us, are divided; and as I consider it unpatriotic to widen this breach, the possibility of my assuming the direction of the government under these conditions is to be discouraged.

In selecting me as a candidate for the presidency of this Republic you have given me a high proof of confidence, and my conscience tells me that should I not withdraw my name from the list, so that it may not serve as a cause for furthering the misfortunes of our country, I would not prove worthy of that confidence.

Therefore, after the most mature reflection, and guided solely by what I consider my patriotic duty, I have decided to present to you, as I now do present it, my renunciation of the candidacy for the presidency of the Republic with which you have honored me and to which afterwards have adhered, spontaneously and disinterestedly, the majority of the Liberal and Conservative Chiriquians and a considerable number of both parties in the other provinces of the Republic.

I take this opportunity to present, through you, to all the compatriots who have favored me with their disinterested and enthusiastic support and adhesion my most profound gratitude. I am,

Your obedient servant,

RICARDO ARIAS.

[The Panama Star and Herald, July 6, 1908.]

With a fine manifestation of patriotism, Mr. Arias offered to renounce his candidacy for the presidency which he has hitherto pushed with characteristic energy. Confident in a victory at the polls if the issue is dependent on the free suffrage of his countrymen, he has nevertheless elected to withdraw entirely from the contest rather than accept the result of an election conducted under circumstances which would reduce it to a farce and render the victorious candidate, whoever he may be, a puppet for the world's ridicule.

The result of the action of Mr. Arias may mean the loss to the country of a firm and capable ruler.

By his renunciation the country loses, but if his continuance in the race would bring about the irreparable disaster which now threatens, the country is even more indebted to him for his unselfish action.

We can but express the hope that the patriotic action of Mr. Ricardo Arias and the Constitutional Party may yet be the means of averting the loss of independence which now threatens the Republic.

VIEWS OF MR. CROMWELL.

The New York Herald reviews the situation at length. In its issue of the 6th instant it publishes the following:

"William Nelson Cromwell expressed the greatest gratification to-day when he learned from a Herald correspondent that Secretary Arias had withdrawn as a candidate for the presidency of the Republic of Panama, leaving the way clear for Don Domingo Obaldia."

TAFT DENIES THAT HE THREATENED.

[Panama Star and Herald, July 20, 1908.]

HOT SPRINGS, VA., July 5.

Positive and unqualified denial was given to-night by William H. Taft of the statements and reports from Panama that he had warned Secretary Arias that Vice-President Obaldia was the only presidential possibility for that Republic.

Two radical steps have been taken by the War Department by the direction of Mr. Taft, after consultation with President Roosevelt. The first was the ordering of a large force of marines to the Isthmus for the purpose of insuring a fair election, to which was added the additional precaution of sending officers of the army under orders not to disclose their identity to observe conditions prevailing on election day.

The New York Herald says:

"Obaldia quarreled with the Amador crowd, who put up Arias against him. Obaldia, however, found means of obtaining the powerful assistance of Mr. Cromwell and later on the United States Government lined up with Cromwell and Obaldia. Whether Mr. Taft did or not send the ultimatum, Obaldia or intervention, there is little doubt that somebody made it clear to Arias and Amador that the pins were set up for Obaldia to win. The position of the United States Government was made clear to everyone in Panama when Minister Squires, official mouthpiece of the United States in its relations with the Panama Republic, was summoned to Washington. Squires had been favorable to the Amador party. He was ordered to report to Mr. Root and Mr. Taft, and returned to the Isthmus, it is alleged, an almost open supporter of Obaldia."

WASHINGTON, July 5.

Although no direct pressure was brought to bear from Washington which can be assigned as a cause for the resignation of Señor Arias as a candidate for the Presidency of Panama, it is stated authoritatively to-day at the War Department that the known attitude of Mr. Taft and the United States Government had something to do with Señor Arias having given up the race.

EXTRACT FROM A NEW YORK PAPER NOT AS YET CHARGED WITH LIBELING THE GOVERNMENT.

[The Evening Post, New York, Thursday, July 16, 1908.]

The mystery of the sudden withdrawal of Señor Arias from the presidential race in Panama is solved. It is precisely as we had suspected. The king, or, rather, president maker of this administration did it. When Señor Arias's friends got dispatches from William Nelson Cromwell, notifying them that if he did not withdraw the United States would probably intervene and establish a provisional government, because of the danger of serious disorder, Señor Arias promptly removed himself from the presidential race. It became a walk-over for his rival, and the 1,400 United States marines, 1,000 of whom had been hastily rushed to Panama, had nothing to do but sit in their barracks.

What better illustration of the bogus nature of the Roosevelt Republic of Panama could there be? What a fraud upon the great American people is there being perpetrated by the President, with the aid of Mr. Taft's connivance, up to the date of his retirement from office!

If Señor Arias was a bona fide candidate, his being forced out was a gross wrong to his supporters as well as to him. Why go through the farce of holding elections in Panama? Let the President appoint whenever his Panamanian colleague's term expires. And what kind of disorders were threatened? They must have been serious, indeed, if fourteen hundred marines could not cope with them, backed by the crews of several warships. Concealed in corruption, the bastard republic of Messrs. Cromwell and Roosevelt flourishes as an absolute humbug and fraud.

FROM PRESIDENT AMADOR'S MESSAGE TO THE GENERAL ASSEMBLY OF PANAMA—SECRETARY TAFT FORCED OBALDIA TO WITHDRAW FROM THE CONTEST.

[Message of September 1, 1908, of M. Amador, President of Panama, to the Assembly, as published in the Panama Star and Herald September 7, 1908.]

Circumstances which we deplore, known to all of us, forced the Executive to appeal to and invite the American Government to aid us in an electoral investigation, which took place all over the land, so as to avoid greater irremediable evils.

The results of that electoral investigation, as you well know yourselves, proved how exaggerated the charges against this Government had been, as made by William H. Taft, who was then the Secretary of War of the United States, in the memorandum which is known to you, and demonstrated likewise that the two great parties in which the land found itself divided when the time of the elections drew near were equally divided in the electoral college, over which the Executive has not and could not legally have any control whatever.

Nevertheless, the situation as created by that memorandum, and the subsequent measures, which threaten seriously the very existence of the Republic, forced one of these great parties to leave the field in an absolute and patriotic manner, so that the returns of the polling places have not made known the will of the people.

OBALDIA'S CAREER.

[Memoranda from article in Panama Star and Herald October 5, 1908.]

Señor Don Jose Domingo de Obaldia, born at David, Panama, January, 1845.

1903 elected Senator, and was the only member of the Senate to support the Hay-Herran treaty. When this measure was defeated, he withdrew from the Colombian Congress.

Two months before declaration of Panamanian independence, became governor of Panama under President Marroquin.

After the independence of Panama, was imprisoned for two weeks, he being a Colombian official.

Soon afterwards reentered public life, having accepted the independence movement. Was named second vice-president under first administration, and soon after appointed by President Amador as minister of Panama to the United States.

During Doctor Amador's sojourn in Europe, in June of last year, he was recalled from Washington to act as President, he being at that time also first vice-president of Panama.

In February of this year he was nominated by a few members of the Constitutional party as candidate for President. The majority of that party was in favor of Mr. Arias, and in the early stages of the campaign the outlook was discouraging for Mr. Obaldia. He could muster only two-sevenths of the constitutional vote, but early in May the Liberal party adopted his candidacy, and this brought a decided improvement in his prospects.

At a mass meeting of Liberals in this city, Mr. Obaldia's programme was formally indorsed and a committee of the party notified the Hon. William H. Taft, then American Secretary of War, of their choice. Thereafter, Mr. Obaldia's prospects grew roseate. On the 4th of July, when party feeling was at its highest and fears of armed intervention by the United States were current, Mr. Arias averted a crisis by withdrawing his candidacy. The retirement of the Constitutional candidate left him in undisputed possession of the field. He now had a following among the Constitutional party and the bulk of the Liberals, and as the time was too short to allow the third candidate being brought forward with any likelihood of success, it was realized that his election was certain.

On the 12th of July the members of the electoral college were chosen, the entire college being composed of Obaldia adherents. The rest is too recent to need recapitulating.

(The above paper on the above date announced that Obaldia was inaugurated "yesterday afternoon.")

LETTER FROM LA GUARDIA TO OBALDIA WITH REFERENCE TO THE TIMBER CONTRACT CONTAINING SERIOUS CHARGES.

[Published in Panama Daily Star and Herald January 3, 1909.]

Open letter.

PANAMA, December 29, 1908.

To His Excellency JOSÉ DOMINGO DE OBALDIA,
President of the Republic, H. O.

MR. PRESIDENT: After serene reflection I have the honor of sending you this letter with all the respect that you inspire me as the first magistrate of the nation.

May be you have seen that, after the past electoral campaign, during which I was one of your political opponents, I have limited my attitude to expectation and silence and consecrated myself entirely to the exercise of tasks that concern me as attorney-general, for which post I was nominated by your predecessor.

I say again that I have not taken part in active politics. I have waited to exercise this right, because I think that, after the effervescence of the presidential election, all citizens who aspire sincerely to the change of old and hereditary customs of bad government must accept the facts, deferring to the new executive during a prudential time, so he may begin and extend his plans, because I believe that systematic opposition will never be good for the country: they are absurd, they are not patriotic, they are "contraproducentem." So do not think that I am going to make an inopportune review of your government. It is not blameless, but this is not the occasion to censure it.

I am not going to treat about politics.

This that exercises my mind is something most serious; something that affects the country itself, which obliges me to break my voluntary silence. I am going to speak about the contract that a foreign syndicate wants to obtain in order to get a wide, a new, and very big zone of our territory to exploit for fifty years, the woods of our Atlantic coast. This syndicate is represented by two of our countrymen, whom it is not necessary to name. They want this contract not for themselves, but to give it to other men. But it would be better that if they get it it were for them, because this grace, that may better be called national disgrace, would so remain within the family and would not inherit the danger of diplomatic reclamations, so terrible for weak countries. It is accustomed to-day by the great powers that the principle of not asking a reclamation, although signed by the parties, is not a guaranty enough of security. The strong governments, as the North American, allow themselves the right of caring for the citizens, no matter if these citizens have signed renunciation to protection. So it is necessary to closely keep our rights from people backed by such governments.

That contract is bad, your excellency, because we know that it is intended with it to sweeten our deep wishes of extending the public riches of the country. They want us to see it under a false aspect. They offer to buy our fine woods at a better price than in other parts, and our inferior woods at a lower price. It seems as if they say: "We will buy also your ashes." But here, precisely, is the deceit.

The great commercial men are masters in concealing their sentiments. They have introduced and they practice in the world of finance the maxim that "business is business." The meaning of this is that, keeping safe from the dangers of the penal code, all is allowed; that the important thing is to make money. Nobody is asked for his credentials when he pronounces his name joined to the title of millionaire, because it means that he possesses the best patent. God save me from covering with this opprobrium all commercial men, or even the majority. Of these men, there are exemplars for good and for bad. But generally they are dangerous, and it is convenient to take with them all kinds of precautions.

Remember, sir, that our country is not yet of legal age.

That contract is bad, Mr. President, because its essence is to utilize at a laughable price our inferior woods for the manufacture of boxes, of very many thousands of boxes, that every day are greatly used in a way that is out of statistics to contain one so gigantic production as the North American. This production grows and grows every hour to meet the domestic and the international consumption. That business, such as conceived by the discoverers, has a face of patriotism but for them. They treat to economize his pine groves, which, no matter the cultivation, begin to recede from the axe and the industrial saw.

It is demonstrated by the high price the woods have reached on account of the enormous demands required by the reconstruction of San Francisco after the earthquake, those asked by the interoceanic canal, and many colossal enterprises now in execution or in project. Most of them are superior to the Panama Canal. This is not the greatest one unfolded, as many of our ill-informed countrymen believe. But it is not necessary to go deep to denounce as infamous a contract that was initiated at Paris under the delinquent auspices of an attempt at bribery.

That contract was born with the stigma, with the I. N. K. I. of dishonor in its pasteboards.

Here is, yet alive, the respectable old gentleman who preceded you in the supreme command. He is near to the tomb. But he will be covered by his sweat cloth at the same time that with the nimbus of having returned the infamous proposal with which he was tempted. There is also, full of youthfulness and life, the present deputy and secretary of public works at the same time. He can inform you that he was the messenger with whom the ex-president, Amador, sent back the papers of the infamous offer.

Ex-President Amador told it to me and to many other gentlemen, out of reservation. I denounce to you the fact and am ready to ratify it as an employee obliged to care for the interests of the state.

There are thousands more of commentaries; satirical, audacious, loitering. I must not speak of them, but they run for all parts.

The population is alarmed, is indignant at the notice of the monstrous contract, which despoils and insults us. But notwithstanding nobody dare to accuse you. Thank God, because so He allows you to set up your good reputation. I congratulate you, but also I beg you to obey public opinion. Do not allow one group of traders to maim our country.

Hear the voice of one political enemy—who is not a personal one. He speaks to you with freedom, may be unusual in the heights of government. He has, at least, the title of being as reputable as you. He wishes that always float, even within your enemies, your clean name. For then, no matter what our political differences may be, we shall feel at any time satisfied in uncovering ourselves in your presence as before a good man.

Please receive, sir, my respectful considerations.

SANTIAGO DE LA GUARDIA.

LETTER FROM DOCTOR AMADOR, FORMER PRESIDENT OF PANAMA, WITH REFERENCE TO THE TIMBER CONCESSION AND FARNHAM'S CONNECTION WITH IT.

[This letter was dated December 31, 1908, and was published in the Panama Journal January 5, 1909.]

SEÑOR DON JOSE DOMINGO DE OBALDIA.

SIR: I have carefully read your letter, in which you refer to the open letter of Señor Don Santiago de la Guardia.

I regret this incident which forces me to take part in a discussion from which I was anxious to remain entirely apart, both on account of my health and of the inconvenience to which it may put me.

To-day I am feeling so weak that I can hardly dictate these lines. About a year ago, on my return from Europe, I spoke to various friends about the contract which had been proposed to me in Paris, and I related, without comments, how the matter stood, adding that I had refused the proposition because I thought it disadvantageous for our country.

This contract was proposed to me after an opinion had been given on it by a Panamanian lawyer, who, I believe, was Doctor Ramon M. Valdes, now secretary of state.

Manuel Obaldia was only present on one of the many interviews I had with the interested parties.

Mr. Drake, a man whom I highly esteem, spoke to me very little about the contract, confining himself to showing me its legality and advantages.

It was Mr. Farnham who, on many accounts, insisted that I should make the contract, assuring me in a short time he and his family would be very rich.

I never told anyone that a sum of money was offered to me, and this is what several persons have asked me, and what I have always said.

Your affectionate friend,

DR. AMADOR GUERRERO.

LETTER FROM VALDES TO GUARDIA.

[Printed in the *Diario*, a Panama newspaper, January 4, 1909.]

The feature of the day.

PANAMA, January 2, 1909.

Señor don SANTIAGO DE LA GUARDIA.

DEAR SIR AND FRIEND: Inasmuch as it is neither proper nor fitting that the President of the Republic should sustain extra official discussions through the press or otherwise with subordinate public employees or with individuals who wish to provoke them and, as in official matters the secretaries of state are the organs of communication of the President, Señor Don J. D. de Obaldia, invested as he is with the dignity of this supreme office, can not, however he might desire it, reply to you directly and personally with respect to the *Carta Abierta*, which you have thought well to address him with reference to the contract which the Government effected with Señor Juan Everman, relative to the purchase of the timber of the forests situated on the Atlantic slope, and which has been submitted to the approval of the National Assembly.

However, the position you occupy in society and the Government and the importance of the point under discussion are sufficient motives for lending attention to your words and for analyzing and replying to the reasons you adduce against aforesaid contract.

It might be thought that that task is incumbent exclusively upon the Secretary of the Treasury, inasmuch as it treats of a fiscal matter, but since in the actions of the Government, the moral responsibility is solely upon the members of the Cabinet, I am no less obliged than any other Cabinet member to defend the projected negotiation, and therefore you will excuse me if I take it upon myself to reply to your letter.

You say at the beginning that your letter does not deal with political matters, and what interests you is something more serious—that is, the country itself, which obliges you to break your voluntary silence. Upon reading this preamble, which expresses profound and patriotic inquietude and announces the discovery of immense future disasters involved in the matter of this contract for the purchase of timber, you produce in the readers an intense and painful excitement, which almost assures one that you have found something not even suspected by the others, that you are going to lift all the veils that envelope this danger and show it to us in its magnitude, with all its vicious consequences.

But you, esteemed General and friend, will pardon me if I tell you frankly that your statements do not justify this tremendous expectation. You limit yourself to stating that the contract is bad because those interested are only attempting to deceive the Panamanians, flattering their fervent desire to develop the public riches of the country, that the great business men are as a general rule great rogues and audacious exploiters of the weak. And for this reason it is desirable to deal with them with the utmost precaution. That this contract is bad because its essence is to use at an extremely low price our inferior timber for the manufacture of boxes, saving the pine forests of the United States, whose products have reached a high price by reason of the enormous demand occasioned by the reconstruction of San Francisco in California and the construction of many colossal enterprises, including that of the Panama Canal, which, according to your strange and singular statement, is far from being the greatest work of these times, as all the world believes.

That is all. You do not analyze the various stipulations of the contract, nor do you present any arguments against them, nor do you even bring forth any arguments in alluding to the price of the wood concerning which you can content yourself with saying that it is ridiculous. For many reasons it was incumbent upon you to do more. You should have done so, and I should have replied to your statements as Dr. Carlos A. Mendoza, secretary of the treasury, has replied to the objections of Señor Nicolas Victoria J. in the same matter.

I have left until the end the examination of the moral consideration you devote to this contract, which, as you say, is very bad, because it was born in Paris under the criminal auspices of an attempt at subornation and with the stigma of the I. N. R. I. of dishonor on its face.

We all know, because you and other persons have told us, that the attempt at bribery was undertaken with Dr. Manuel Amador Guerrero when he was President of the Republic, and which he has related without reserve to many others. The most exciting feature of this question is that of the bribery due to the political prurient which it has provoked in the political parties, who remained quiet after the electoral campaign in which they measured forces, with results well known to all. In spite of the protest that your open letter was not inspired by any political matter, it is seen that you have been unable to remove yourself from the excitement that possessed the whole political defeated party, since Dr. Amador Guerrero, neglecting the care due to his physical condition, made a statement that they had attempted to buy from him, as President of the nation, the passage on the past year of the concession under discussion. There is an evident attempt to exploit this revelation against the persons who to-day are in power, thinking that this would involve their reputation in shadows and would bring discredit upon the present Government. And this attempt could not be more lamentable, because this country has suffered sufficiently the consequences of party spirit when mixed in the discussion of affairs capable of insuring the moral and material progress of the people. But this time there is no remedy. You and those who follow you have given the impulse that it is not possible for me to avoid certain considerations about which I should have desired to maintain a conciliatory silence.

The attempt at bribery in this matter of timber has never taken place, neither with ex-President Amador nor with anyone else, as I am going to prove with his own reply, given by him in a letter of Señor Obaldia, a copy of which follows.

(Here follows letter of Amador, which is above printed.)

Those interested in this business of the purchase of timber are Messrs. W. S. Harvey, Alfred E. Drake, and Jonas E. Whitley, of the United States. Mr. Farnham had no part in this business, so far as I know, and there is no reason whatever to consider him as the attorney or representative of the gentlemen just named, because they have never accredited him as such before the President of Panama nor before any functionary of this Republic. So that his action with Doctor Amador, and his zeal, if really he showed it, to induce him to accept this contract has the character of an officious action, which compromised no one, and had no more force than that arising from the personal consideration which Doctor Amador professed for him. The circumstance that Mr. Farnham should have assured the ex-president, as he says, that in a short time he and his family would be very wealthy, if he granted the concession, can in no way change the conclusion which I have deduced. Because those vague words are not an offer of money, and because they were not used by those truly and really interested, who attempted thus to persuade Doctor Amador Guerrero. He himself declares that Mr. Drake limited himself to showing the legality and desirability of the contract. This is a curious psychological case and resembles very much another one that I know of with respect to Doctor Amador, which occurred at the commencing of the electoral campaign. He affirmed to various persons that Dr. Belisario Porras at one time offered him his assistance toward his reelection as president of the Republic. Such a peculiar incident gave a scare to those who knew Doctor Porras, and when he was interrogated in respect to it he declared that he had made no such offer and had limited himself to inquiring of Doctor Amador what he thought concerning the proposition of those who wished to elect him. I would avoid an odious comparison between the veracity of these two citizens, and let each one form his own opinion in the matter. But it is very possible that all this has an explanation in a habit or mental condition of Doctor Amador, which induces him to attribute a hidden meaning to men's words.

The reports that I have of Messrs. Harvey, Drake, and Whitley agree in establishing the fact that they are all persons of honor and of exquisite culture and unimpeachable reputation, which fact is corroborated with respect to Mr. Drake by the respectful tone in which he alludes in his letter to our ex-President.

For this reason Señor Obaldia, who knows the public and private morality of these parties, and knows that no one of them is capable of corrupting anyone nor going into illegal or censurable affairs, has become offended with the malicious report that they attempted to bribe Doctor Amador, and in his letter to him, of which I have made mention above, he rejects with severity this foolish assertion.

But I can well say, in meditating and thinking over these things, that we should be assured that if there had been any attempt of bribery with Doctor Amador, how can that occasion any doubt as to the honor of the men who are to-day in the Government, and what relation can their conduct have with an action performed by a government now out of power, and how can you believe, General, that this supposed attempt at corruption ought to enforce the abandonment of a matter that possesses such favorable aspects for the material development of the country? You can give no sufficient reasons in support of your idea.

These gratuitous and offensive conjectures regarding the good name of the personnel of the present government furnish the proof of political hostility which your party is showing in the discussion of this matter, and I find in it a revelation of the inexperience and ignorance of those who suddenly find themselves perchance for the first time in the camp of the opposition. When we were the opposing party, we never made a charge that we could not substantiate in regard to the actions of those who were in power. You wish to condemn us for actions that are not ours, and content yourselves with the conjectures and suggestions of envy and with gratuitous incrimination. You do not see how advantageous is the position of those who have just taken over the government, with unblemished records and an honorable past, which constitutes their best defense.

I should not end this without treating, at least briefly, on the allusion Doctor Amador makes in his above letter regarding me.

It is true in the first half of the year just past Messrs. Harvey, Drake, and Whitley desired to know the opinion of an attorney of Panama with respect to the legal possibility of the matter of the timber and solicited mine when I was a simple individual, which I gave in the form that you and the other readers of the *Diario* will find in another place in to-day's issue.

It will be clearly seen that in giving my opinion I was guided by my knowledge of the laws of geography, not less than my duty and by my desire as a Panamanian to bring the greatest benefit to the country. Since that time I have had no connection with those interested in this business.

As a member of the Government, I favor the projected operation, because I think it advantageous for the country, and because I am inspired by the natural zeal of the administration, of which I form a part, to free itself from the sin of indolence which I attribute to the past administration, in all things related to the progress of our Republic.

Pardon me, esteemed gentlemen, for the unwarranted length of this letter, and accept the assurance of my sincere appreciation and consideration. I am,

Yours, truly,

RAMON M. VALDES.

THE PROPOSED RAILWAY CONTRACT.

ARTICLE 1.

The following agreement and contract is, this day and date, made and entered into by and between the Government of the Republic of Panama and Randolph G. Ward, of the city and State of New York, United States of America, for himself, his associates, heirs, or assigns; and it is mutually agreed and understood that the rights, privileges, and benefits granted and acquired by the terms and conditions of this contract shall not be transferred or assigned to any foreign government.

ARTICLE 2.

The Intercontinental Railway shall be located between the cities of Panama and David, substantially along the route surveyed for the International Pan-American Railroad. The total length of the line from Panama to David, as determined by surveys made under the direction of the International Railway Commission, is given as 441.59

kilometers. For the purposes of this contract, however, it is estimated and agreed that a line can and shall be located between the two cities mentioned, which shall have lighter grades and easier curves than those contemplated in the surveys made for the International Railway referred to, and that such line shall not exceed 450 kilometers in length. It is further agreed that the surveys for this line, as completed, in sections of not less than 50 kilometers, shall be submitted to and approved by the authorized officer or officers of the Government of the Republic of Panama before construction shall be commenced on such line.

ARTICLE 3.

The Intercontinental Railway, in order that it may constitute and become a link in an ultimately complete chain of railways providing continuous and uninterrupted service from Panama through Central America and Mexico to the United States and Canada, shall be of "standard gauge" (4 feet 8½ inches) and laid with 56-pound steel rails upon imported pine, cypress, or redwood cross-ties, which cross-ties, when renewed, shall be replaced with native hardwood cross-ties. The cuts, fills, bridges, culverts, shops, stations, motive power and other equipment shall be of a character, capacity, and quality fully up to the standard of railroads built and operated under substantially similar circumstances throughout the United States, Canada, and Mexico; and it is mutually understood and agreed that during construction and thereafter when in operation at least 50 per cent of the number of employees on the Intercontinental Railway shall be citizens of the Republic of Panama, unless after diligent effort and public advertisement it shall be found to be impossible to obtain so large a proportion qualified and willing to perform the services required.

ARTICLE 4.

The standard gold dollar of the United States is the unit of value referred to and employed in this contract. The permanent ownership by railway corporations of lands other than such as may be strictly necessary for transportation and terminal purposes is mutually recognized as wrong in principle and an unwise policy. Therefore, subscribing to this theory, it is understood and agreed that the surplus lands mentioned in articles 13 and 14 of this contract shall be disposed of absolutely as soon as it shall be practicable and advantageous to do so in the manner and for the purposes stated in said articles.

ARTICLE 5.

To provide the necessary capital with which to construct, equip, and put into operation the Intercontinental Railway, in accordance with the terms and stipulations of this contract, Randolph G. Ward, for himself, his associates, heirs, or assigns, agrees to organize, under the laws of the State of New Jersey, United States of America, a stock company, which stock company shall be known as the "Intercontinental Railway Company." The capitalization of said railway company shall consist of common stock, in amount equivalent to \$7,500 per kilometer of railroad built, and 5 per cent noncumulative preferred stock, retrievable at par, in amount equivalent also to \$7,500 per kilometer of railroad built; also, first-mortgage bonds, in amount equivalent to \$20,000 per kilometer of railroad built, such bonds to run for a period of fifty years, and to bear interest at the rate of 4½ per cent per annum, payable semiannually. These first-mortgage bonds shall be divided into two classes, to be known as class "A" and class "B," respectively. Bonds of class A shall be issued in amount equivalent to \$7,500 per kilometer, and bonds of class B shall be issued in amount equivalent to \$12,500 per kilometer of railroad built.

Capitalization recapitulated and explained.

Common stock, per kilometer of railroad built.....	\$7,500
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NOTE.—This common stock shall represent the ownership of the property and the control and administration of the affairs of the railway company. (See arts. 6, 7, 8, 18, and 20.)

Preferred stock, per kilometer of railroad built.....	7,500
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NOTE.—This preferred stock shall have no vote or voice in the control of the affairs of the railway company, but it shall be entitled to an annual dividend of 5 per cent, when earned. When not earned, however, such dividends shall not be payable; and when not paid, they shall not accumulate or constitute a liability against the railway company. (See arts. 6, 8, and 20.)

First mortgage bonds, class A, per kilometer of railroad built.....	7,500
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NOTE.—See articles 6, 8, 9, 10, 13, and 20.

First mortgage bonds, class B, per kilometer of railroad built.....	12,500
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NOTE.—See articles 6, 8, 9, 10, 14, and 20.

Total capitalization, per kilometer of railroad built.....	35,000
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Capitalization approximated and summarized.

Assuming the line to be 440 kilometers in length:

Common stock.....	\$3,300,000
Preferred stock.....	3,300,000
First mortgage bonds, class A.....	3,300,000
First mortgage bonds, class B.....	5,500,000

Total.....	15,400,000
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ARTICLE 6.

Forty-nine per cent of the common stock of the Intercontinental Railway Company shall be delivered to the Government of the Republic of Panama, for and in consideration of the rights, privileges, exemptions, guaranties, and concessions granted and contained in this contract. The remaining 51 per cent of such common stock, together with the entire issue of preferred stock, and of first mortgage bonds shall be retained by Randolph G. Ward, his associates, heirs, or assigns, as consideration for services rendered and capital required and provided to construct, equip, and put into operation the Intercontinental Railway, according to the stipulations of this contract.

ARTICLE 7.

Subject to the terms and conditions specified in this contract, the Government of the Republic of Panama grants to Randolph G. Ward, his associates, heirs, or assigns, the right to construct, equip, and operate the Intercontinental Railway during a period of ninety-nine years from the date of the approval of this contract; at the expiration of which period of time the 51 per cent of the common stock of the In-

tercontinental Railway Company, held by said Randolph G. Ward, his associates, heirs, or assigns, shall be delivered to and become the property of the Government of the Republic of Panama, without further compensation or consideration. And it is mutually understood and agreed that the Government of the Republic of Panama shall have the right, at any time after fifty years from the date of this contract, to acquire by purchase and at a fair valuation the 51 per cent of said common stock held by said Randolph G. Ward, his associates, heirs, or assigns; or, by adding 25 per cent to the amount of such fair valuation, the Government of the Republic of Panama shall have the right to acquire such common stock at any time after the expiration of twenty-five years from the date of this contract; and, finally, by paying its face or par value, the Government of the Republic of Panama shall have the right to acquire such common stock at any time after ten years following the date of this contract.

ARTICLE 8.

It is mutually understood and agreed that the annual earnings of the Intercontinental Railway, when completed and put into operation, shall be disbursed for the following purposes and in the order specified:

First. The payment of all expenses of operation, including maintenance of the property.

Second. The payment into a sinking fund of an amount equivalent to 1 per cent upon the principal of any and all outstanding unpaid first-mortgage bonds.

Third. The payment of the interest due upon any and all outstanding class A first-mortgage bonds.

Fourth. The payment of the interest due upon any and all outstanding class B first-mortgage bonds.

Fifth. The payment, when earned, of the 5 per cent noncumulative dividend upon any and all outstanding preferred stock.

Sixth. The payment of dividends upon the common stock.

ARTICLE 9.

The Government of the Republic of Panama authorizes the issue of first-mortgage bonds upon the franchise and property of the Intercontinental Railway, as determined by the stipulations of this contract, to the amount, for the term of years, at the rate of interest, and in the classes specified in article 5; and it appropriates such portion of the revenues of the Republic derived from its constitutionally invested capital (see art. 138 of the constitution of the Republic of Panama) and to be derived from the annual rental payable by the Government of the United States on account of the Panama Canal (see art. 15 of the Hay-Bunau-Varilla treaty) as may be necessary to secure and guarantee the payment of interest upon the class "B" subdivision of such first-mortgage bonds in amount equivalent to \$12,500 per kilometer of railroad built. The Government of the Republic of Panama does not, however, guarantee the payment of interest upon the class "A" subdivision of first-mortgage bonds authorized, but it recognizes the priority given to such bonds in the disbursement of the annual revenues of the Intercontinental Railway as specified in article 8.

ARTICLE 10.

The entire issue of first-mortgage bonds provided for in article 5 shall be emitted upon one and the same date, and each of the class B bonds shall bear on its face the guaranty of the Government of the Republic of Panama stipulated in article 9 of this contract. The first-mortgage bonds of both classes, when executed by the proper officers of the Intercontinental Railway Company and indorsed by the proper officers of the Government of the Republic of Panama, respectively, shall be deposited with a responsible trust company in the city of New York, United States of America, by which trust company they shall be delivered to the said Randolph G. Ward, his associates, heirs, or assigns, in proportion as the work of constructing and equipping the Intercontinental Railway shall progress, such deliveries being made upon orders drawn by the proper officers of the Intercontinental Railway Company and approved by the proper officers of the Government of the Republic of Panama. It is, however, understood and agreed that all past due interest coupons attached to such bonds at the time of such delivery or deliveries shall be detached and canceled by said trust company.

ARTICLE 11.

The Government of the Republic of Panama grants to Randolph G. Ward, his associates, heirs, or assigns, the necessary right of way over all public lands and highways, and agrees to expropriate for account of the Intercontinental Railway Company any and all right of way that may be required over private property for the building of the Intercontinental Railway. It also grants and agrees to expropriate, as the case may require, all public and private lands that may be necessary for the building of stations, shops, and terminals required by said railway.

ARTICLE 12.

The Government of the Republic of Panama agrees that, during the life of this contract, all materials required for the construction, maintenance, or operation of the Intercontinental Railway shall be imported free of duty, and that no tax—national, provincial, or municipal—shall be imposed upon any property belonging to the Intercontinental Railway Company, or upon any of the stocks, bonds, or other securities issued by such company, or upon any negotiation or transaction that may be necessary and essential to the construction, equipment, maintenance, or operation of such railway. It is, however, understood and agreed that the exemptions contained in this article shall not apply to any property, stock, bond, security, negotiation, or transaction that shall be other than strictly necessary and essential to such purposes. And it is especially agreed that these exemptions do not apply to any of the lands mentioned in articles 13 and 14, except such as may come to be used for railway or terminal purposes, as provided, nor to commissary supplies of any kind or description, which commissary supplies, it is mutually stipulated, shall, when required, be purchased in the local market.

ARTICLE 13.

In order to make it possible to locate and establish suitable railroad and maritime terminals for the Intercontinental Railway, which shall be within the limits and in the immediate vicinity of the city of Panama, the Government of the Republic of Panama grants to Randolph G. Ward, his associates, heirs, or assigns, all those alternately submerged and flooded lands lying between the high-water and low-water levels, and extending outward from the northeast bastion of the city of Panama southward and westward, along the present boundaries of the city, to an intersection with the boundary of the Canal Zone at the extremity of a point of land projecting out into the sea in the direction of a small island; together with the right to reclaim, occupy, and possess such lands in the manner, for the purposes, and subject to the condi-

tions herein stipulated. It is understood and agreed that these lands shall be surrounded by suitable dikes, or retaining walls, and filled in to a safe level above high-water mark; that there shall be located thereon the railroad and maritime terminals herein referred to, which shall include ample yards and well-equipped shops for railway and marine purposes; a dry dock and a marine railway for cleaning and repairing coasting steamers and other seagoing craft; and deep-water docks for maritime commercial uses, of the type known as "wet docks," such as are employed at Liverpool, at Cardiff, and at Havre, where the rise and fall of tide is approximately the same as at Panama. It is understood and agreed that these "wet docks" shall be of a size, depth, and capacity calculated to meet the commercial requirements of the port of Panama in such manner as to render it independent of all other ports; and that they shall be designed and equipped with special reference to the facilitation of national and international coastwise trade, including the erection of a coaling station and of warehouses of ample capacity to accommodate such trade. It is also understood and agreed that the proceeds resulting from the sale, rental, or other disposition of the lands thus reclaimed, together with the net revenues to be derived from the operation of the terminal facilities and improvements specified in this article, shall be applied to the repayment of the costs of reclaiming such lands and executing such works, until such costs shall have been fully repaid and extinguished; and thereafter, should there remain any balance in excess of such costs, then such balance is to be applied to the payment of the interest upon the class "A" first-mortgage bonds. It is further understood and agreed that surveys and plans locating and illustrating the works and terminal improvements herein specified, and also showing the manner of laying out and developing, into an annex or extension of the city of Panama, such lands as may not be required for such terminal improvements, shall be submitted to and approved by the authorized officer or officers of the Government of the Republic of Panama before any work shall be commenced upon such lands or terminal improvements; and it is stipulated and mutually agreed that the surveys herein provided for shall be completed within one year, and that the works specified in this article shall be begun within two years and completed within ten years from the date of this contract; and that a failure to comply with these stipulations shall result in forfeiture of the rights acquired under the terms and conditions of this article in so far as they shall apply to any portion or portions of such lands as shall not have been fully reclaimed in accordance with the stipulations herein contained. Finally, in order to provide for the possible extension of the Intercontinental Railway eastward, referred to in article 21, and at the same time to make possible the ultimate location of a permanent passenger terminal station, or the Intercontinental Railway, on the eastern side of the city and in close proximity to the station of the Panama Railroad, the Government of the Republic of Panama authorizes the Intercontinental Railway to construct a tunnel under and across the city of Panama to facilitate and accomplish such purposes.

ARTICLE 14.

Adopting the methods wisely and usually employed by other American governments in promoting the construction of railroads for the development of the natural resources and industrial and commercial possibilities of their respective countries, and, as an inducement to capitalists to provide the necessary funds with which to construct, equip, and put into operation the Intercontinental Railway the Government of the Republic of Panama grants to Randolph G. Ward, his associates, heirs, or assigns, public lands, in amount equivalent to 1,000 hectares per kilometer of railroad to be built in accordance with the terms and stipulations of this contract, which lands shall be located in that section of the Republic of Panama which lies eastward of the Canal Zone, and, in a general way, along the route of and more or less adjacent to the line of surveys provided for in article 21. It is understood and agreed that the lands mentioned in this article are granted subject to all the terms and conditions prescribed by the laws of the Republic of Panama relating to the disposition of public lands, except that no consideration shall be paid therefor other than the consideration specified in article 6, and implied in the terms and conditions of this contract. It is further understood and agreed that the proceeds resulting from the sale, rental, or other disposition of the lands mentioned in this article shall be credited to the sinking fund referred to in article 8 and created to provide for the repayment of the principal of the first-mortgage bonds of the Intercontinental Railway Company specified in and authorized by the terms and conditions of this contract.

ARTICLE 15.

To facilitate the business of constructing, equipping, and operating the Intercontinental Railway, the Government of the Republic of Panama grants to Randolph G. Ward, his associates, heirs, or assigns, the free use of the national mails and telegraph lines.

ARTICLE 16.

It is mutually understood and agreed that during the life of this contract all public mails shall be transported over the lines of the Intercontinental Railway free of charge to the Government of the Republic of Panama; and further, that all national, provincial, and municipal officials, traveling in the performance of their proper and legitimate duties, shall be entitled to free transportation over the lines of the Intercontinental Railway, when completed and put into operation for public service. To protect the Government of the Republic of Panama, and also Randolph G. Ward, his associates, heirs, or assigns, as joint stockholders in the Intercontinental Railway, according to the terms of article 6, against a possible abuse of the right of free transportation stipulated in the article, it is mutually agreed that the Government of the Republic shall furnish annually to the Intercontinental Railway Company a list of such officials entitled to such transportation.

ARTICLE 17.

The principal office of the Intercontinental Railway Company shall be located in the city of New York, United States of America, but the general operating office of the company shall be located in the city of Panama, Republic of Panama, or at some other more suitable and convenient point on the line of the Intercontinental Railway itself; and at all times there shall be located within the Republic of Panama an officer of the Intercontinental Railway Company having full power of attorney to transact any business that may be required of the railway.

ARTICLE 18.

The business of the Intercontinental Railway shall be conducted by a board of directors consisting of 7 members, 3 of whom shall be appointed by the Government of the Republic of Panama, and 4 of whom shall be elected by the holders of the 51 per cent of the common stock of that company retained by Randolph G. Ward, his associates, heirs, or assigns.

ARTICLE 19.

It is agreed by Randolph G. Ward, for himself, his associates, heirs, or assigns, that the Intercontinental Railway Company shall be organized within three months; that the surveys of the Intercontinental Railway shall be begun within six months and completed within eighteen months; and that the construction and equipment of such railway shall be begun within one year and completed within four years from the date of the approval of this contract. And as evidence of his ability to comply with the stipulations contained in this article and in all other articles of this contract, except as to article 13, the penalty for failure to comply with which is therein stipulated, the said Randolph G. Ward, for himself, his associates, heirs, or assigns, agrees, within three months from the date of the approval of this contract, to file with the Government of the Republic of Panama a bond in the sum of \$100,000, such bond to be issued by a responsible and reliable bonding company of the United States or to be indorsed by such individual sureties as shall be satisfactory to the Government of the Republic of Panama, it being understood and mutually agreed that such bond or such sureties once given and accepted, this contract shall become binding upon both parties hereto subscribing.

ARTICLE 20.

It is mutually understood and agreed that should Randolph G. Ward, for himself, his associates, heirs, or assigns, fail to comply with any one of the stipulations specified in article 19, then this contract shall become null and void in so far as it shall relate to the said Randolph G. Ward, his associates, heirs, or assigns, and the bond referred to in article 19 and given by said Randolph G. Ward, for himself, his associates, heirs, or assigns, as a guaranty for his and their ability to comply with the stipulations contained in this contract, shall become forfeited and shall be paid over to the Government of the Republic of Panama; and in such event, should such stock have been issued, the 51 per cent of the common stock of the Intercontinental Railway Company, held by the said Randolph G. Ward, his associates, heirs, or assigns, shall also be delivered to the Government of the Republic of Panama without any compensation or consideration whatsoever. The cancellation of this contract under such circumstances shall not, however, be permitted to operate to the detriment of the rights of third and innocent parties who, acting in good faith and under authority of the Government of the Republic of Panama, shall have become possessed of any of the first-mortgage bonds or preferred stock of the Intercontinental Railway Company, or of any of the lands referred to in articles 13 and 14 of this contract.

ARTICLE 21.

Finally, it is mutually understood and agreed that, terms and conditions being fair and equal, the Intercontinental Railway Company shall have preference in the extension of its line westward from the city of David to the boundaries of the Republic of Costa Rica, and eastward from the city of Panama to the boundaries of the Republic of Colombia, including also the right to construct branch lines southward into the peninsula of Veraguas, and elsewhere, as found necessary or desirable; and the Government of the Republic of Panama hereby authorizes Randolph G. Ward, for himself, his associates, heirs, or assigns, to make such surveys as may be necessary to develop the railway possibilities and requirements of the eastern section of the Republic, and which may be essential to locate the lands granted in article 14, and hereby appropriates a sum not to exceed \$100,000 to defray the cost and expenses of such surveys, it being understood that such surveys, when completed, shall be the property of the Government of the Republic of Panama. It is, however, agreed that the Intercontinental Railway Company shall repay the cost of these surveys should the extension of the Intercontinental Railway eastward of Panama be hereafter authorized.

Signatures:

GOVERNMENT OF THE REPUBLIC OF PANAMA.
RANDOLPH G. WARD.

REFERENCES.

Extract from the report of Col. William F. Shunk, who made the surveys for the Intercontinental Railway Commission, referred to in article 2 of the above proposed contract.

Taking the distance, on a location, between David and Panama to be 274.4 miles (441.59 kilometers), we estimate the cost of grading, masonry, and bridges as follows:

The summit region between San Diego and Cobre rivers (40 miles), 64.37 kilometers, at \$13,000	\$836,810
The summit region near Capira (10 miles), 16.09 kilometers, at \$13,000	209,170
The remainder of the line (224.4 miles), 361.13 kilometers, at \$10,000	3,611,300

Total (274.4 miles), 441.59 kilometers..... 4,657,280

Being at the average rate of about \$10,546 per kilometer, and \$16,971 per mile.

Article 138 of the constitution of the Republic of Panama:

"In order to guarantee to posterity a part of the pecuniary benefits derived from the negotiation for the opening of the interoceanic canal, the sum of \$6,000,000 is to be reserved which will be invested (invested) into securities producing a fixed annual revenue. The law will regulate this inversion.

Article 14 of the Hay-Bunau-Varilla treaty:

"As the price or compensation for the rights, powers, and privileges granted in this convention by the Republic of Panama to the United States, the Government of the United States agrees to pay to the Republic of Panama the sum of \$10,000,000 in gold coin of the United States on the exchange of the ratification of this convention; and also an annual payment during the life of this convention (which is perpetual) of \$250,000 in like gold coin, beginning nine years after the date (December 2, 1903) aforesaid."

REMARKS.

The above is submitted as the draft of a contract believed to be mutually advantageous to the Government of the Republic of Panama and to the undersigned, his associates, heirs, or assigns. Under this arrangement, should the line reach the full limit of 450 kilometers in length, prescribed in article 2, the maximum liability of the Government in any one year would amount to only \$253,125; which would be considerably less than the sum of the revenues derived by the Republic

of Panama from its constitutionally invested capital alone. Assuming, however, that the line when completed shall not exceed 440 kilometers in length, the maximum liability of the Government in any one year would amount to only \$247,500; which would be less than the amount of the annual revenue alone that will be received by the Republic of Panama from the United States on account of the rental of the Panama Canal.

The actual annual liability of the Government of the Republic of Panama, under the terms and conditions of the above proposed contract, is estimated as follows, calculating from the date of the approval of such contract:

For the first year	\$45,000
For the second year	117,500
For the third year	202,500
For the fourth, fifth and sixth years	247,500

Following the sixth year, it is estimated that the earnings of the railway, added to the proceeds of the sale, rental, or other disposition of the lands conceded by the terms, under the conditions and for the purposes stipulated in article 14 of this contract, will considerably and rapidly reduce the amounts of such annual payments, until, within a limited period of time, they should become altogether unnecessary. To compensate for and offset the liability assumed by the Government of the Republic of Panama under the terms and conditions of the above-proposed contract, and without taking into consideration the great advantages that would result especially to the inhabitants of a considerable portion of its most fertile and productive territory, the Government of the Republic of Panama would have the benefits of a correspondingly large increase in its internal or domestic revenues and the city of Panama will have gained largely through the commercial and industrial facilities provided.

In the United States, in Canada, in Mexico, in Argentina, and, more recently in the Philippines, in Brazil, and in Bolivia, railway construction has been and is being greatly facilitated and extended by government aid, given in the form of land grants, bond guarantees, cash subsidies, tariff concessions, and tax exemptions; which patriotic investments have paid and are paying handsome dividends, not only directly in cash, but also indirectly in the development of the natural resources, enlargement of opportunity, increase of population, and consequent addition to the wealth and prosperity of the several countries mentioned. In no other manner could the Republic of Panama invest a portion of its annual revenues derived from the above-mentioned sources so as to "guarantee to posterity (so large) a part of the pecuniary benefits derived from the negotiations for the opening of the interoceanic canal."

In addition to the purely national industrial and commercial considerations that could be advanced in favor of the enterprise, the advantages that would result from the construction of the Interoceanic Railway, viewed with appreciation of its importance as a military and strategic measure, and as an independent link in the great system of Pan-American railways projected as a bond of friendship between the nations of the Western Hemisphere, are such as to entitle the above-proposed contract to serious and favorable consideration from an international point of view.

The Pan-American Railway, a standard-gauge railroad, has already been completed to the boundary of Guatemala; and with the Intercontinental Railway completed, which would also, under the terms of this contract, be a standard-gauge railroad, there would only remain, then, to complete a line through Central America to provide a continuous and uninterrupted service through Central America, Mexico, and the United States and Canada. Thus would the dreams and hopes of the world have been realized in that portion of our hemisphere north of Panama.

Respectfully submitted.

RANDOLPH G. WARD.

UNITED STATES DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, January 23, 1909.

HON. HENRY T. RAINEY,
United States House of Representatives.

DEAR SIR: In further reply to your letter of January 11:

I take pleasure in inclosing a memorandum in regard to the forest resources of Panama and the qualities and uses of some of the woods that are found there. I regret that I am unable to furnish you with more comprehensive information on this subject and also that the Forest Service files contain no data in regard to the amount of forested land in Panama that is still public land. In regard to the latter point, Mr. John Barrett, Director of the International Bureau of American Republics, or the ambassador from Panama may be able to give you just the information you desire.

Very truly, yours,

OVERTON W. PRICE,
Associate Forester.

FORESTS OF PANAMA.

Panama has an area of 31,570 square miles. Its climate is tropical, the daily temperature maintaining the following averages: In the interior, in the dry season, from 72° to 81° F.; in the wet season, from 74° to 85°. On the south coast, dry season, from 75° to 86°; wet season, from 75° to 84°. The rainfall is exceedingly heavy on the Atlantic coast, averaging there 140 inches per annum, while it averages 60 inches on the Pacific coast, and 93 inches in the interior. The dry season begins in December and continues until the middle of April.

The larger part of the surface of the country consists of short, irregular ranges, whose summits vary from 1,600 to 11,740 feet in altitude. The most westerly of these ranges is the Sierra de Chiriqui entering Panama from Costa Rica. It contains near the western boundary of Panama the volcanoes Chiriqui of 11,265 feet elevation; Pico Blanco, 11,740 feet; and Rovalo, 7,020 feet, and then trends eastwardly nearer the Atlantic than the Pacific for some distance. It merges into the Sierra de Veragua, which is nearer the Pacific coast and contains three high peaks ranging from 4,600 to 9,275 feet in altitude. The mountain system of the peninsula containing the province of Veraguas is separated from the Sierra de Veragua by low valleys and grass-covered hills of 500 feet elevation. The system culminates in the southwest in bold headlands of 3,000 feet elevation.

East of Sierra de Veragua is Sierra de Panama, the lowest country of the Isthmus, nowhere of more than 1,600 feet elevation, and containing the Culebra Pass, in the Canal Zone, of 290 feet elevation. It is a rolling, irregular country, with the watershed very near the Pacific coast. The mountain system east of the Canal Zone consists of higher, irregular ranges, which east of the Chepo River resolve themselves into

a definite system. "The Serranía del Darien, with altitudes of from 500 to 2,700 feet, skirts the Atlantic coast from Porto Bello to the mouth of the Gulf of Maba, where it bends to the southwest to the Pacific. Lateral ranges connect it with the Baudo Range, which forms the Pacific Coast Range from the mouth of the Chepo to the southern boundary of the country, being broken near its center by the Gulf of Panama and the Tuira River system."

At least two-thirds of this country is forested with an almost impenetrable tropical jungle, a mass of valuable woods of incalculable extent. The mountains are uniformly covered and the forest extends down to the sea on the Atlantic side, only interrupted by inclosed grassy savannas, large and small, and varied by the swamp forests of the low ground and mangrove thickets which skirt the coast. On the Pacific side, where the rainfall and humidity are less, the forest is of a lower, more open character, and at an elevation of about 30 feet, and sometimes much higher, gives way all along the coast to open, grassy country, interspersed with groups of trees and forest-bordered water courses. These plains form quite a wide band between the forests of the slopes of the Cordilleras and the coast mangrove thickets. The Plains of David, in the western part of the Pacific coast region, are very wide, and east of the Chepo River are other large savannas. They are used for stock raising. This band of plains and the smaller isolated areas of the broken country in the Atlantic watershed are the only unforest country, except the comparatively negligible cultivated area. Most of the forest trees are gigantic, commonly from 3 to 4 feet or more in diameter and from 50 to 60 feet high. They are thickly overgrown with lianas and parasitic and epiphytic plants, orchids, and others, especially on the Atlantic watershed, and there is a dense understory, so that progress can only be made by chopping out a trail. Lumbering is, of course, at present dependent entirely on the water courses and bullock or mule teams on the established trails.

The forests of the coast are described in the following extracts from "Notes on Panama," issued by the United States War Department:

The east and west sides of Almirante Bay are very low and swampy and densely wooded. Columbus and Provision islands are flat and densely wooded, the tree tops being from 200 to 400 feet above the sea. Shepherd Harbor is surrounded by dense forest, which yields abundance of ship timber, eboe, zapotilla, and sumwood, which is also exported to Cartagena from Popa Island. Zapotilla Cays are thickly wooded, affording excellent firewood, which is easily obtained. Popa and Water Cays are densely wooded, as is the mouth of Chirica Mola River.

The shore of Almirante Bay, west of Frenchmans Creek, is firm and wooded to the southwest end of the lagoon, and, being free from morass, has been chosen for a trading post. A bridge path has been opened along the west side of the Chiriqui Valley and across the mountain to Ciudad David, near the Pacific, by means of which cattle have been brought from thence to this spot and then conveyed in canoes to the Boca del Toro settlement in three days. The banks of Rovalo River are said to be densely covered with trees of the largest dimensions. Valiente Peninsula contains high, densely wooded hills, and Valiente Cays are crowned with cocoanuts. Castle Choco is a mountain of 6,342 feet elevation, and from its base irregular masses of wooded hills begin to rise, and, taking a northwest direction, reach an altitude of 3,100 feet only 5 miles south of the Cocoyah. Thence the base of the Cordillera almost bounds the shore as far as its northwest extremity near the meridian of the Chiriqui River. 35 miles west of Zapatero Point. Pilon de Miguel de la Borda is 28 miles from the mouth of the Chagres, and from the coast it rises in irregular, densely wooded ridges to the summit, which is 1,552 feet in altitude. A remarkable piece of flat, wooded table-land, about 3 miles in diameter, lies not far inland on the west banks of the Chagres River. Toro Point, the highest point of the peninsula between Chagres Bay and Colon Bay, is about 2½ miles broad and 400 feet high. The summit is thickly covered with wood, and is consequently different in appearance from the low mangrove coast to the eastward. Hollandes Channel, in the Gulf of San Blas, is bounded on the southwest by Icacos Cay, which is dry and covered with high icacos trees. The manchineel tree abounds about San Blas Gulf.

The northern shore of San Blas Bay, between Burica Point and Parida Island, is low and wooded. San Pedro Island, in David Bay, consists of open grass lands and dark forests. Brazil wood is shipped from David. Parida Island is well wooded, but not high. About David are grassy plains. Coibo, or Quibo, Island is covered with forests, and a dense and tangled tropical vegetation. The interior is said to consist of fine plains covered with magnificent forests, as yet untouched. Jicarón Island, 4 miles south of Coibo, is well wooded. About one-fourth mile south is Jacarita Islet, 1½ miles long, and covered with cocoa palms. The shores of Darien Harbor are almost a continuous line of mangrove, with densely wooded hills with elevations of from 100 to 300 feet but a short distance inland. Mahogany may be had in abundance in Darien Harbor; also the palm and rubber tree abound. On the lands of an energetic people, this fine harbor would soon become a place of importance.

On the Atlantic coast there are some 630 islands and islets, with an aggregate area of 147 square miles, of which about 115 square miles could be utilized for lumbering or colonization. The remainder is waste. No timber exists in the vicinity of Colon. Along the coast from Caledonia Bay to San Blas Point there is a nearly continuous string of islands and reefs, which are thickly covered with coconut palms which yield superior cocoanuts.

The country between Panama and "Panama Viejo" is very rolling and grown with grass. The coast east of Panama for the first few miles is a moderately rolling and mostly open country. From there to Juan Diaz River it skirts or cuts through the foothills from the central range, or, rather, from the sloping plain, while the occasional flat ground is heavily timbered and mucky in parts. From the Juan Diaz to the Pacora it is pretty much the same. The axial Cordillera does not run out spurs to the Pacific. Those spurs range only a short distance from the main mass, wooded, their declivities at an arable pitch, and sink into a very moderately sloping plain, apparently from 12 to 15 miles wide. The line of the trail is three-fourths in open prairie. There are many large hard-wood trees in the forest. The country has better soil and timber than the last 200 miles of that passed between David and Panama. The wide plain above noted is really a series of ridges, except here and there heaves or spits turtle-backed. It is generally open grass land, inclined just right for drainage, and merges in a flat 3 or 4 miles wide adjacent to the sea, composed of fine wash from the upland and heavily wooded. From Pacora the trail runs northeast to get up hill, and goes thence across a rolling tract to Chepo village. To Darien Gulf the coast is made up of sea plain and knolls detached from the Cordillera. From Rio Chico south the greater part of the proposed railroad line would pass through forest, probably fully half of it would be in forest between Panama and Yavisa.

The south coast from David to Panama is 292 miles long. It consists of sloping plain and sea flat, with mountain spurs from the Cordillera at Tole and La Mesa, and an approach of the Cordillera itself to the Pacific near Capira. Timber for railroad use is abundant. From David to Rio Chorra it is nearly all prairie, passing through forests only at stream crossings, but the prairies themselves are lakes of grass bordered by irregular shores of forest. Between Chorracas and Boca del Monte the trail held to the crest of a ridge in a close wilderness, with an undergrowth of palms and plantanos, which issued at the latter point onto ridge prairies, which extended thence in widening and declining expanses to a level plain at San Lorenzo. The country is the same to Capira Mountain, where heavy timber reappears, and east of that the same country to Panama. The plains are diversified by islands and capes of low forest on Chame Plains near Panama.

The part of the Isthmus known as "Darien" is an unexplored wilderness and but little known. The whole is covered with a vast primeval growth from its swamps to the top of its highest peaks. This thick forest, which covers the whole surface of the country except a few Indian plantations near the coast, is abundantly tangled with vines, and is of such rapid growth that it easily holds in check the feeble efforts of the Indians at cultivation. The higher parts of the ridge are hard to reach on account of the rugged nature of the ravines and the labor of cutting trails. It is necessary to camp near the summit. The valley of the Carti River is reached in 7 miles from the Mercalagua River by a broken line, following the most favorable ridges to facilitate progress and to meet the requirements of a simple connecting line. These ridges are composed of rocky spurs reaching a maximum elevation of 420 feet, thinly covered with the residual yellow clay, but affording foothold for the enshrouding tropical forest that is existent from ocean to ocean. For the first mile and a half the low, and at times marshy, coastal plain is traversed.

There appear to be no roads or trails lengthwise of the Isthmus. In the interior tropical growth, jungle thicket, and swampy morass abound. The cordilleras are irregular and difficult, few towns exist, and the Indians, in some localities, at least, are unconquered savages and hostile. With such obstacles to overcome it would seem, on the whole, that the interior of the Isthmus presents difficulties almost, if not quite, insuperable to extensive and continuous exploration or passage along its length.

A good idea of the distribution of the various tree species of the Isthmus is given by the following description by M. Wagner, in Petermann's Mittheilungen, of the forest cover along the Panama Railroad as one passes from the Atlantic to the Pacific ocean.

At present the primeval forest begins quite a distance back from the railroad on both sides, owing to the clearing effected by the canal work. The area cleared there is now grown up to low, scrubby woods. On the ocean edge of Manzanillo Island and Limon Bay appears the tropical littoral flora of America—the mangrove zone—consisting of mangroves (*Rhizophora* and *Avicennia*), the calabash or gourd bush (*Crescentia cucurbitina* L.), the manzanillo tree (*Hippomane mancinella* L.), buttonwood (*Cococarpus erectus* L.), and white mangrove (*Laguncularia racemosa*).

These trees grow in the salt water, and by various appliances, such as branches which take root and seeds which sprout before leaving the mangrove tree, they are able to make a foothold for themselves in the marshy soil and even to extend the coast line continually. On higher ground, on both the island and mainland, the coconut palm occurs, but, like the mangroves, is not so plentiful at the Atlantic as at the Pacific end of the railroad. This growth is continued inland until Monkey Hill is reached.

The plains of Mindi, between the low hills of Sierra Mindi and the range of Sierra Quebrancha, from 2 to 7 miles from the coast, are marshy land covered with swamp forest. Palms are abundant—sack palm (*Mantoua saccifera* Gaertn.), undergrowth of palma de escoba (*Thrinax esoba*), and matamba palm (*Desmoncus oryzaanthos* Mart.), on borders of forest. Among the forest trees the following families are prominent: *Euphorbiaceae*, *Myrtaceae*, *Tiliaceae*, *Rubiaceae*. At Gatun, on the Chagres River bank, the Espave (*Anacardium rhinocarpus* DC.) occurs, and *Pogonopus esakus*, Oersta, a tree 30 feet high, which with its scarlet and purple flowers is one of the most ornamental native species. There are also two beautiful tall palms of the genus *Iriartea*.

The character of the tropical forest remains the same until Lion Hill, with an altitude of 21 feet, is reached, 10 miles from the coast. There it assumes its most beautiful, luxuriant, and manifold aspect, and so remains until Barbacoa, which is almost at the center of the Isthmus, is reached. Among the palms, *Iriartea errhoriza* Mart. here reaches its greatest height. *Thrinax argentea* Lodd is abundant, as are members of the families *Muscaceae* (Babanas) and *Cannaceae*. The same families are represented here as earlier. At Fryole, 18 miles from Colon, at an altitude of 36 feet, the following species are abundant: Pacuá palm (*Astrocaryum* sp.) and Ceiba (*Eriodendron anfractuosum* Dec.) in great beauty; *Chorisia rosea* Seem., a beautiful tree with large rose-colored flowers, which is also found on the volcano of Chiriqui; Balsa, or corkwood (*Ochroma lagopus* Sw.); Carbonero (*Mayna laurina*); Sagre (*Ossaea plomerata* Sw.), a small tree 15 feet high, and other shrubs of the family *Melastomaceae*. As undergrowth of the high forest are found the shade-loving trees *Parimontion* (*Cupania sylvatica* Seem.) and *Picramnia umbrosa* Seem. At Mamey station, 26 miles from the coast, at an altitude of 62 feet, appears the first small savanna, surrounded by thick, high forest. The principal change in the vegetation is the abundance of parasitic plants on the trees. At Gorgona, 28 miles from the coast, at an altitude of 76 feet, a decided change, due to the decreased rainfall, appears. From now on the rainfall is less and the luxuriant beauty of the forest decreases likewise. Trees reaching their southern boundaries in this locality are the two species of *Iriartea* palm, some bananas of the undergrowth, and others. Here grows the Palma real of the Antilles (*Oreodoxa regia* H.).

The valley of the Matachin, 30 miles from the coast, 71 feet in altitude, is characterized by great numbers of palms, ferns, and grasses, and the appearance of trees and shrubs of the savannas, especially of the families *Verbenaceae* and *Dilleniaceae*. The tropical forest is lighter, less luxuriant, and varied than on the north side of the Isthmus; the forest trees are less high and close; the shade-loving plants fewer. Among the trees of the forest border and savanna are the Chunga palm (*Acrocomia sclerocarpa* Mart.) and Corazo palm (*Bactris minor* Jacq.). At Obispo, 1 mile farther, at an altitude of 75 feet, 10 per cent of the trees are deciduous-leaved, and the palms, bananas, and tree ferns of the lower growth are diminishing, while shrubs and plants of the families *Malvaceae*, *Büttneriaceae*, *Asclepiadaceae*, *Euphorbiaceae* appear.

At Summit, 37 miles from Colon, at an altitude of 262 feet, the top of the watershed, the tropical forest on the bluffs of the hills is thicker and more difficult to penetrate than in the valleys. The influ-

ence of greater light favors on the bluffs a most luxuriant growth of shrubby vegetation. From Obispo Valley to Paraiso, at an altitude of 137 feet, the forest flora assumes more and more the character which distinguishes the southern Isthmian flora from the northern. This consists of a decrease of the number of genera and species, of shade-loving plants, and evergreen shrubs, and in the increase of light-loving plants and of trees and shrubs which are deciduous. The influence of lower rainfall and greater length of the dry season become constantly more apparent. Plants decreasing in numbers are palms, tree ferns, *Cannaceae*, bananas, *Aroids*; increasing are *Leguminosae*, *Malvaceae*, *Dilleniaceae*, *Malpighiaceae*, *Verbenaceae*, *Büttneriaceae*. In the forests the following families are still prominent: *Euphorbiaceae*, *Sterculiaceae*, *Melastomaceae*, *Rubiaceae*, *Tiliaceae*.

At Pedro Miguel, 41 miles from Colon, altitude 88 feet, appears first the tropical flora of the southern zone of the Isthmus. The effect of the dry climate on the forest and chaparral flora is very noticeable. Many forest and shade-loving plants of the lower story of the northern (Atlantic) zone disappear entirely, while characteristic species of the shrubby forest of the savanna, light-loving plants, appear in continually greater numbers.

At Rio Grande station, 43 miles from Colon, at an altitude of 17 feet, the flora assumes the definite character of the savanna zone, which is characteristic of the coast plains of the southern zone, between the forest zone of the interior and the sandhills along the coast, grassy plains with island like groups of trees and shrubs which belong to the tropical genera, which love long-enduring heat and strong light. Only near rivers does the tropical virgin forest retain its luxuriance and splendor, and there many species that belong to the northern zone have wandered down. In the prevailing dry type of the savanna islands the following trees are characteristic: Palo cuadrado (*Cornutia pyramidalis* L.), Curatella (*Curatella americana*), Nance (*Byrsonima crassifolia*, Seem.), Cuernito (*Acacia spadioligera* Cham. et Schlecht), a tree from 20 to 30 feet high, of the savannas of Panama and David. The following are savanna shrubby trees, characteristic from Ecuador to Mexico: *Eugenia sericiflora* Benth.; *Myrcia acuminata* Dec.; *Guava* (*Psidium guajava* Linn.); *Malaguetto chico*, or hembra (*Xylopia frutescens* Aubl.); *Malaguetto grande*, or macho (*Xylopia grandiflora*).

The narrow coastal zone on the Pacific coast bears the characteristic flora which is sharply distinct from the forest and savanna zone, and is characterized by species which require a salty soil. Among them is the coconut palm (*Cocos nucifera* L.), the commonest and most beautiful tree, which indeed does not flourish in the dune sands, but at a little distance on firmer soil grows very high and bears richly. Next to the coconut, the poisonous and greatly feared manzanillo (*Hippomane mancinella* L.) is the most abundant, as on all the south coast of Central America. The thickest growth is composed of *Crescentia cucurbitina*, *Hibiscus tiliaceus*, and *Ipomoea biloba* Forsk. shrubs and vines. On moist, swampy spots, especially at the mouth of the Rio Grande, the mangroves (*Rhizophora mangle* L. and *Avicennia nitida* Jacq.) form impenetrable strand forests just as on the north coast. But on the Pacific coast only appear *Capparis avicenniaefolia* Seem.; *Combretum farinosum* Kth.; *Eugenia guayaquilensis* D. C.; *Xemenia americana* L., and *Prosopis juliflora* Kunth. The larger number of species (than in the interior) are common to both the Atlantic and Pacific coast floras of Panama, Veragua, Chiriqui, and Darien.

LIST OF TIMBER TREES OF PANAMA.

Achras sapota L. (*Nispero*, *Sapodilla*).—A large tree 50 feet high; the wood is rather brittle and requires caution in felling; the wood resembles that of the cherry of the north, and is about the same color, weight, and hardness. It is very straight grained, not easy to work, not especially durable in out-of-door works, is not attacked by insects, and is esteemed for its resistance to transverse strain. It is a very fine timber and is extensively used for building and boarding. There are several varieties, of which Nispero real and Nispero de Montana are most esteemed. At San Lorenzo Castle, near Chagres, and among old works at Porto Bello there are great quantities which have endured for fifty years and over. It grows wild in most of the forests of the country, and is plentiful on Almirante Bay. It is also cultivated for fruit.

Alcornoque or cork tree.—A very large tree, which will give large beams and wears well.

Alfahillo.—Very durable and available for inland work.

Amatoua Guianensis Aubl. (*Madroño torcido*).—The stem is deeply furrowed; the wood is much esteemed by carpenters for building and polishing wood. "I have also reason to believe that the wood sold in Panama under the name of 'Madroño de Montana' is the produce of this tree." (Seemann) Forests of Veraguas.

Anacardium rhinocarpus D. C. (*Espave*).—One of the largest trees in the country. It gets to be from 90 to 130 feet tall and from 24 to 30 feet in circumference. The wood is tough and durable, immune to insects; it is used for canoes, shipbuilding, and household articles; vessels of 12 tons burden are made from a single trunk. It is very common in all the woods of the Isthmus, especially along rivers and streams. "Espave is never used for planks, although very abundant and of great size. A Mr. McGregor once erected a sawmill and cut great quantities of plank from espave, but no one would use them."

Apeiba Petoumo, Aubl. (*Cortezia*).—The white fiber is used for cordage. It grows on islands in the Bay of Panama and about the city of Panama.

Avicennia nitida, Jacq. (*Mangle blanco*, *Mangle bobo*, or black, olive, or white mangrove).—A small tree, the wood of which is hard, heavy, fibrous, compact, gray, with rather brown undulations. It is used for small timbers of houses, but more commonly charcoal and firewood.

Bellucia Aubletii Naud.—Used for building.

Bombax Fendleri Benth. (*Cedro espinosa*).—A middle-sized tree covered with short, thick thorns; the trunk straight, the timber not heavy, the heartwood alone is good, and endures out of doors. It is excellent for furniture, and is proof against insects. This is the wood commonly used in making boards in the Isthmus. It grows in Panama.

Byrsonima Crassifolia H. B. K. (*Nance* or *Nanci*).—It gets to be from 25 to 30 feet high, is durable, and is used in building. The bark is a drug. The foliage has a dull appearance. It is common in the savannas of Panama and Veraguas provinces. "From an economic point of view the Nanci is of some value."

Cano blanco.—This cane, when opened and cleared of loose fibers, furnishes the cheapest and best-known lathing of the country. Under cover, if properly seasoned, it will stand from thirty to forty years.

Carica Papaya L. (?) (*Cedro papaya*).—An excellent furniture wood, proof against worms.

Cedro amargo.—A large tree, easy to work, the wood of which lasts well in the open air.

Cedro bueno and *Cedro passaya*.—Cedars, but the least esteemed. They are, however, sometimes used.

Cedro cebolla.—A large tree, rather crooked, in other respects similar to Bombax fenderli. The wood is durable, is excellent for furniture, and proof against worms. "Cedar is plentiful on Almirante Bay (Shepherd Harbor), where it grows to great size and perfection, and is used in the construction of large canoes, dories, and pitpans."

Cedro real.—An excellent furniture wood, proof against worms.

Chrysobalanus icaco L. (*icaco*).—A common tree of the coast forest on both coasts. High trees are found on Icacos Cay, in the Gulf of San Blas.

Chrysophyllum cainito L. (*Cainito*).—It grows wild in various parts, and is also cultivated for fruit; the wood is used for polishing work and building.

Clusia minor L. (*Cope chico*).—A handsome tree, generally terrestrial, about 18 feet in height. The leaves are used as writing material. It is abundant, but useless for construction. It grows in savannas, and is very common about Panama.

Clusia rosea Jacq. (*Cope grande*).—At first a parasite on other trees: it kills the host and becomes terrestrial when it reaches a height of 60 feet. The leaves are used for writing material. It is abundant, but useless for construction. It is found in savannas about Panama and Nata.

Cocobolo, or *cocobolo*.—A beautiful wood used in cabinetmaking. It is brown, streaked with black, and is one of the principal woods exported from Panama. See also *Platymiscium polystachyum*.

Cocos nucifera L. (*Coco*, coconut palm).—It is common on seashores, both wild and cultivated, but does not produce any fruit in the interior of the Isthmus.

Conocarpus erectus L. (*Buttonwood*, *mangle piñuelo*).—A coast tree from 20 to 25 feet high and from 9 to 10 inches in diameter. The wood is very hard, heavy, fibrous, compact, and fine grained. It is gray, tinted with light chocolate, with narrow, undulous, light lines, and becomes darker with age. The wood retains the odor of marshes. It has a specific gravity of 1.009, and is used in building boats and barges and for shelving charcoal. It is also found in the West Indies, Brazil, Mexico, and Florida.

Cordia gerascanthus L. (*Laurel*, rosewood, *Bois de Cypres*, *Dominica rosewood*, Spanish elm).—The wood dark, open grained, soft, suitable for paving; it is used for building and polished work. "Laurel is tough and elastic, and when dry it is used for masts." It is not a first-class ornamental wood. It grows on outskirts of woods, and is common in Panama and Veraguas. See also *sumwood*.

Cubo.—Abundant, but useless for construction.

Curatella americana Linn. (*Curatella*).—Attains a height of 36 feet and is crooked. The leaves are used as sandpaper. It is common in Panama and Veraguas, in sunny places.

Desmoncus oxyacanthos Mart. (*Matamba*).—A palm of the outskirts of woods, which climbs over shrubs and trees. It is used for garlands.

Didymopanax morototoni Decne and Plant. (*Paco*).—Used in carpentry. It is found in the savannas of Panama and Veraguas.

Diphyssa carthaginensis Jacq. (*Macano*, *cacique*).—Used for polished work, building, in making yellow dye, and for shipbuilding. It is a crooked tree, in size from medium to large. It does not readily decay under ground nor in water. Stakes driven fifteen years ago in fresh and salt water show no change.

Eboe.—A valuable timber on Almirante Bay. It is used for boats, etc., and is a large tree, from 3 to 4 feet in diameter.

Enterolobium timboura Mart. (*Corotu*).—One of the tallest trees, from 80 to 180 feet in height. The wood is light and is used for building and canoes. It is not good for general purposes. The fruit is used as food for cattle. "Common in all forests of Isthmus."

Eriodendron anfractuosum De Cand. var. *Caribacum* D. C. (*Ceiba*).—Found near David in the province of Veraguas on the River Chagres.

Espino amarillo.—A valuable wood.

Genipa, sp. (*Japan de montana*).—Used in building. A violet dye is obtained from the fruit.

Guachapali (*Legum*).—A large tree found in abundance, the timber of which resembles oak and is durable under ground.

Guatteria schomburgkiana Mart. (*Yalla*).—A tree of 60 feet in height with hard, durable wood; used in building. It is found near San Lorenzo, Veraguas, in forests.

Gustavia angustifolia Benth. (*Membrillo*).—A tree 50 feet high, the wood of which is durable and is used in building. In the central districts of Panama Province it forms entire woods by itself.

Hippomane manicinella L. (*Manzanillo* or *Manzanillo de playa*).—Common on sandy seashores of both coasts, and is valuable for building and furniture.

Hymenaea courbaril L. (*Algarrobo*).—Used for building. It is a large tree with hard and heavy wood, which is red. If properly seasoned it lasts many years—out of doors. Common all over the country.

Laguncularia racemosa Gaert. (*Mangle blanco*, false mangrove).—Common on both coasts, growing among mangrove trees. A shrub or tree from 15 to 24 feet high. It grows in West Indies, Central America, South America, and Florida.

Licania arborea Seem. (*Rasca*).—A tree 60 feet high, with durable wood, which is used for building. It is found in savannas and on the outskirts of forests between Tole and David, and at David, province of Veraguas.

Luehea rufescens St. Hil. (*Guazimo colorado*).—A valuable tree found in the southern part of Veraguas in forests.

Maderon.—The wood is very durable and is available for inlaid work.

Malpighia glabra L. (?) (*Cerezo*).—Excellent for polished work and building.

Malvicino.—Named from the extreme hardness of the wood and its great size. The wood is yellow in color and is durable. It is abundant and is much used in building, in spite of great expense of cutting.

Mangle caballero or *cavalero*.—Considered as good as nispero. It generally grows at the water's edge, is very abundant, and will give pieces from 35 to 40 feet long and 1 foot square.

Manicaria saccifera Gaertn. (*Sack palm*).—A tree from 15 to 20 feet high with a crooked trunk and a spathe used for a bag. It grows in Panama, south shores of Darien, and as far as the Amazon.

Maria Guttifera.—A good timber used for masts.

Miconia argyrophylla D. C.—Used for building.

Miconia prasina D. C.—Used for building. It is common all over the country.

Musa sapientum L. (*Guiner*, banana).—Cultivated on a large scale.

Naragito.—A fine, strong timber, fit for the wheelwright.

Nazareno.—A beautiful bluish fancy wood, which yields purple dye.

Ochroma lagopus Sw. (*Balsa*, corkwood).—Used for corks and rafts at the time of the discovery of America and at the present day. It is found on the coasts of South America and the West Indies, and is common in most of the forests of Panama. The down from the seeds is used for stuffing. Another similar wood is *Bonga*, unknown botanically.

Oncoba laurino Presl. (*Carbonero*).—The wood is hard and is used in building. It is common in Veraguas, in forests, and along the Chagres River.

Oreodoxa regia Humb. & Kth. (*Maquenqui*, *Palma real*, royal palm).—Common in Panama about Cruces, Gargona, and San Juan.

Ormosia Panamensis, Benth. (*Prorail*).—A tree 50 feet high with durable wood, which is used for building. The leaves are 1 foot long. It is reported from the village of Remedios, Veraguas.

Pachira Barrigon Seem. (*Barrigon*).—A tree 40 feet high, used for carpentry. It is common in Panama and Veraguas.

Parmentiera cereifera Seem. (*Palo de velas* or *Candletree*).—Fruits cylindrical, yellow. They are used for cattle fodder. The tree is 20 feet high. It is confined to the valley of the Chagres, where it forms entire forests.

Phytelphas macrocarpa Ruiz. & Pav. (*Marfil vegetal*, *Anta*, vegetable ivory).—Found on the banks of rivers of southern Darien, where it forms extensive groves by itself. It is confined to South America, between 80° and 90° north latitude, and 70° and 79° west longitude.

Pithecolobium glomeratum, Benth. or var. *spicatum* Seem. (*Guavito cansaboca*).—A tree with valuable wood, found on the banks of all the rivers of the Isthmus.

Platymiscium polystachyum Benth. (*Quira*, or a kind of *Cocobolo*).—A fine tree with beautiful hard wood, streaked black and red. The wood is hard, heavy, difficult to work, resists friction, and is much used. It grows at David, Province of Veraguas, and in Trinidad and Santa Marta.

Quassia amara L. (*Guavito amargo*).—The bark is a febrifuge. The tree is found in the island of Taboga and in Veraguas.

Quercus dumetoides, Liebm.—Found on the volcano of Chiriqui, Veraguas.

Quercus seemanni Liebm.—Grows on the volcano of Chiriqui, in Veraguas. "In the mountains of western Veraguas, the oaks, like most tropical ones, are scarcely higher than 30 feet, with smooth branches."

Quercus warszewiczii, Liebm.—Found in Guatemala, Costa Rica, and the volcano of Chiriqui, Veraguas.

Rhizophora Mangle L. (*Mangle salado*, *mangle colorado*).—Used for railroad ties, boat building, hogsheads, etc. The wood is very durable in water, and yields a tanning substance. It is very common on seashores, with *Avicennias* and *Lacuncularias*.

Simaba cedron Planch. (*Cedron*).—A tree 15 feet high, with a pollarded appearance. All parts, and especially the seed, produce cedron, an antidote for snake bite, which is of commercial importance. It grows on outskirts of forests, banks of rivers, and the seashore in Darien, Panama, and Veraguas.

Sloanea quadrivalis Seem. (*Terciopelo*).—A forest tree, 60 feet high. It is useful as timber and in carpentry. It grows in the southern parts of Veraguas.

Socrates exorrhiza H. Wendl. (*Zanora palm*).—The spiny aerial roots are used as graters. It is found in the woods of Panama Province and Darien territory.

Spondias lutea L. (*Jobo* or *Hobo*).—A colossal tree, with durable wood. It is cultivated for fruit and naturalized in some parts of the country.

Spondias, sp. (*Hobo de puerco*).—Used in carpentry.

Spondias, sp. (*Hobo de cerco*).—Used in carpentry.

Sumwood (*Cordia gerascanthus*?) Spanish elm (*Caparo*).—A tree from 3 to 4 feet in diameter and from 50 to 60 feet high. The wood saws and works well, is well adapted for planing, and resists the tropical climate better than the woods generally used for this purpose. It is plentiful on Almirante Bay, and is shipped to Cartagena from Pope Island. See also *Cordia gerascanthus*.

Swartzia triphylla Willd. (*Maranjo de monte*).—This tree produces excellent timber. It is found on the island of Taboga and in woods near Panama.

Swietenia mahagoni Linn. (*Caoba*, or mahogany).—The wood is black, red, or veined. It is common in high woods and is one of the two woods at present exported in large quantities from Panama. It is shipped from the Gulf of San Miguel.

Tabebuia guayacan Hemsl. (*Guayacan*, *lignum-vitæ*).—One of the two most durable woods of Panama, the other being *T. pentaphylla*. It is highly esteemed for hard, durable timbers exposed to weather. In the ruins of the cathedral of old Panama beams exposed to the weather since 1677 are still sound. The figures of the Apostles on the front of Panama Cathedral are of *lignum-vitæ* and are from 90 to 95 years old. It grows in Panama Province and is common about Cruces and Gargona.

Tabebuia Pentaphylla Hemsl. (*Roble*).—A most durable timber, used for ship timbers. Nata, Province of Panama.

Thrinax argentea Lodd. (*Palma de escoba*, *Fan palm*).—The leaves are used for brooms. It forms an underwood in forests.

Torro.—A beautiful wood, used in cabinetmaking.

Totuna.—A fine, strong wood, fit for use by the wheelwright. It is white and resembles hickory. Mortises made in it never split. The tree is small and of irregular growth.

Xanthoxylum spinosum Sw. (?) (*Acabu*).—The wood is durable and is used for building.

Xanthoxylum, sp. (*Amarillo* or *Espino amarillo*).—A tree from 45 to 50 feet high, with a diameter of from 15 to 20 inches. It is not very abundant. The wood is yellowish, straight grained, easy to work, of light weight, and not liable to decay nor insect attack. It is good for constructions in water and for lumber. There are seven kinds or *amarillo*, all good timber. Sp. gr., 0.556.

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By permission of the House, I have printed as an appendix to my remarks on the Panama question, the above letters, extracts from newspapers, documents, and so forth, to which I have referred in the course of my remarks, all of which is respectfully submitted.

HENRY T. RAINY.

Mr. OVERSTREET. Mr. Chairman, I yield ten minutes to the gentleman from Minnesota [Mr. STEVENS].

Mr. STEVENS of Minnesota. Mr. Chairman, it is extremely regrettable that any Member of this House should feel called upon to rise in his place and slander the ruler of a friendly republic and defame the administration of his own country, and the administration that will follow the present one.

Mr. SHACKLEFORD. Mr. Chairman, I rise to a point of order. I object to the word "slander," as used by the gentleman from Minnesota.

The CHAIRMAN. The gentleman from Minnesota must not indulge in personalities when referring to a Member of the House. The gentleman will proceed in order.

Mr. STEVENS of Minnesota. Mr. Chairman, I desire to keep entirely within the rules of the House, and will try to state to the House—

Mr. SHACKLEFORD. I move that the gentleman be allowed to proceed in order, Mr. Chairman.

The CHAIRMAN. The gentleman has already proceeded in order.

Mr. STAFFORD. Mr. Chairman, I make the point of order to the request of the gentleman from Missouri [Mr. SHACKLEFORD], that it is not in order at this time for him to make that motion.

The CHAIRMAN. The Chair has passed on that motion. The gentleman from Minnesota will proceed in order.

Mr. STEVENS of Minnesota. Mr. Chairman, in the short time allotted to me, I only desire to call the attention of this committee to the facts set forth in the remarks of the gentleman from Illinois, so far as this Government and its affairs are concerned. It is no business of ours what any other government shall do with the persons or with the property under its dominion, providing it does not affect our rights or our interests in them. It is our business to look after our own affairs, our own citizens, and our own administration, and it is no concern of this Congress to discuss the forestry policy of the Republic of Panama, even though we may regret and disapprove it. First of all, I wish to state that there is no foundation in fact that there was any interference by Secretary Taft or any other of our officials with the national elections at Panama last year, any more than the keeping of order there, as was provided by the treaty between the United States and Panama. Section 7 of that treaty provides:

The same right and authority are granted to the United States for the maintenance of public order in the cities of Panama and Colon and the territories and harbors adjacent thereto, in case the Republic of Panama should not, in the judgment of the United States, be able to maintain such order.

The gentleman from Illinois [Mr. RAINEY] was mistaken in the statement that there was no political party behind the candidacy of Obaldia. I know not the facts only as I remember to have read them from the newspapers last spring, and I am sure that the files of the newspapers of New York and of Washington can be found in the Library to substantiate my statement, and as I heard them upon the recent trip to Panama of the Committee on Interstate and Foreign Commerce of this House.

Mr. RAINEY. Mr. Chairman—

Mr. STEVENS of Minnesota. I can not allow any interruption; I have only ten minutes. The facts are stated as I recall them now, without any opportunity to refresh my memory, as follows: There were two parties in Panama, the Liberals and the Conservatives. The Conservatives, rich and powerful, were entrenched in power and anxious to remain in charge of the Government. The Liberals were anxious to secure power there, as in all other governments. The Liberals were in the majority among the people of the Republic of Panama and they belonged to the uncultured and poorer classes.

The Conservatives, in order to intrench themselves under Doctor Amador and Arias, were preparing to exclude the Liberals from registering, as provided by the Panamanian law, and from participating in the elections. It is evident this would insure the triumph of the minority party in the election of Mr. Arias. For that reason the Liberal party and other citizens who desired peace and order in the Republic formally asked that the United States interfere in order to prevent bloodshed, that riot and revolution should not be allowed, and that all parties should have fair elections. The matter was considered by the administration, which evidently foresaw and knew that there would be bloodshed if a considerable party be excluded from the elections and that a minority be allowed to triumph by means of force, fraud, and corruption; and any condition by which there would be unfair elections, fraud at the registration and elections, bloodshed at the polls and elsewhere would almost mean possible intervention and possible subversion of the Government of Panama, and that would mean inevitably another distant tropical province for us to govern with all of its attend-

ant evils. In order to insure fair elections, just exactly as was done so recently in Cuba by Governor Magoon and Secretary Taft, there were some marines sent into Panama to comply with the provisions of the treaty. They took no part in the elections. They interfered in behalf of nobody and interfered only with fraud and corruption. Nobody pretended they did anything else.

Nobody charged or dared to charge in Panama when we were there, less than three weeks ago, that our Government in any way violated either our treaty rights or rules of decency and fair play in its handling of our troops on Panama's soil. Arias knew that his party was in the minority, and because he knew it and that he and his party had no chance to prevail where fair elections were guaranteed, where the people were allowed to register and vote as they pleased, he withdrew; and there was no fraud, no interference by our marines, and no influence from them at the polls, so graphically described by the gentleman from Illinois. Now, that is the sole reason of the intervention of Mr. Taft and the administration in Panama—in order to have fair elections and assure the continuance of the Republic of Panama—and that was exactly what was accomplished, to the satisfaction of the majority of the people of that Republic; and we then withdrew at once, to the credit of our own Government.

Another statement that the gentleman makes was that the spoil of the excavation from the locks at Sosa would be used to fill the water front at Panama. Mr. Chairman, there will be no locks at Sosa at all. The gentleman does not know what he is talking about. That plan of locks at Sosa was abandoned nearly a year ago, and the gentleman does not know it. [Applause on the Republican side.]

I want to tell him some of the facts that he evidently cares not to know or has overlooked. As a matter of fact, the material which will be taken out of the locks back of Sosa at Miraflores will be used to fill a huge breakwater extending from a point on the mainland out to the island of Naos belonging to the Canal Zone. Nearly 2 miles of breakwater must be constructed that will protect the harbor of La Boca and the Pacific entrance to the canal. Neither report nor engineers even hinted that any of the surplus dirt or rock would be used in Panama at all, and if anybody hinted it to the engineers in charge down there there would be trouble. That breakwater will take a vast amount of material, because some of the water is deep, so that nearly all that can be used reasonably, from the locks at Miraflores and back to Pedro Miguel, can be used on our own property upon the Pacific, and that is where the material will go. The long dock that is now used is the old Panama steamship dock acquired with the steamship company, and is not newly constructed, as the gentleman alleges. Now, just a word more about the Culebra Cut.

Anybody who has been there can see that that cut is being lowered at the rate of nearly 2,000,000 yards a month—about 1,600,000 yards in December, I think. It is the busiest place of its kind in the world. They are excavating there, just exactly as the President of the United States says they were, and are doing this truly wonderful work he described, and my own recollection is about 1,600,000 yards a month is being eaten out of the heart of that great mountain. The work has so progressed that in four years that great bugbear of the canal will be ready for the water. It will not be the Culebra Cut which will delay the completion of the work. The skill and energy and effectiveness of the work there is marvelous to those who witness it.

Mr. RAINEY rose.

The CHAIRMAN. Does the gentleman from Minnesota yield?

Mr. STEVENS of Minnesota. I decline to yield.

The CHAIRMAN. The gentleman from Minnesota declines to yield.

Mr. STEVENS of Minnesota. Just a word about the ships of which the gentleman spoke. I do not know whether it was a good bargain or not; I am not pretending to argue as to that; but what I do know is this: That the main delay in constructing that canal will be the construction of the great locks at Gatun and Pedro Miguel and Miraflores, which will require about four and a half million barrels of cement and about 300,000 barrels more for other construction; nearly 5,000,000 barrels of cement in all must be taken to the Canal Zone in about four years—upward of a hundred thousand a month—in order to complete the canal on time by 1915. The only way to get it there regularly must be by steamers; sail vessels can not be depended upon. In order to construct these locks, they must lay nearly 2,000 yards a day. It will require 100,000 barrels a month to do that work. It was deemed best that steamers should be purchased which could get that cement

there surely and safely and not trust anyone else, so it could be laid as it should be needed. It is economy of time to do it. Before we get through it may be economy of money also. The two steamers that were purchased will do the main part of that work, and that is the main reason for which they were purchased. There is another reason. The bill provides that in case the Panama Canal Company does not use them, or when it shall cease to use them, they shall be turned over to the navy, and Heaven knows the navy needs just about that kind of steamers.

Now, there is another thing that may occur and make these steamers valuable. It is possible always since the traffic connection was terminated several years ago between the Panama Railroad Company and the Pacific Mail Company that this Government may at any time be obliged to use its steamers upon the Pacific to protect its commercial interests and in order to get supplies cheaper and better from the Pacific coast. It may sometimes be that the connection between the Atlantic and Pacific coasts may need to be improved, that it may be necessary for the Government to protect its own interests on the Pacific and the interests of the people of this country by using these steamers for freight and passenger business on the Pacific. This is always a club to keep the transcontinental railroad lines from exacting unjust charges from our people, because we always have a chance for protecting the interests of our own property and our own people. It is always possible that these steamers may be used for those very purposes.

Now, Mr. Chairman, I have not had an opportunity to examine the various facts alleged by the gentleman from Illinois to be facts as the basis for his speech. It is only from my recollection that I have briefly covered the few salient points affecting the greatest enterprise of this Government and, indeed, of any in the world. Some of us have had recently a good opportunity to see and know, and we do know that no work in the world is being prosecuted as efficiently, as honestly, and as economically as the great work of excavating the Panama Canal. [Applause.] It is the best administrative body of most loyal, enthusiastic, and efficient workers in the world. It is being prosecuted without graft, without thought of self-interest by the men who are doing that great work. They are dedicating themselves to the honor, to the glory of their country, and they are doing it in spite of the detraction at home in the newspapers, by public men, and by those who have other ends to serve. [Loud applause.] I yield back the balance of my time.

Mr. KÜSTERMANN. Mr. Chairman, before entering on the subject upon which I wish to talk I desire to say a few words about the remarks made by the gentleman from Illinois [Mr. RAINY]. I do not in the least approve of the slighting remarks that have been made about the President of the United States. It seems to me to be rather fashionable nowadays to talk disparagingly of the head of our great country. I know that he is not infallible, no one is, but I believe and I am convinced that in all he did and all he uttered he meant to do what was right or what he thought was right. He has his faults the same as anyone else, but I say to you those faults are far overshadowed by his good qualities. [Applause.] I believe to-day that the gentlemen on the Democratic side of the House would be most happy to claim Theodore Roosevelt as a Democratic President. When he leaves the White House I know that he will be accompanied by the good wishes of the people, and I know that he will be always recorded in history as one of the best Presidents that this country has ever had.

He will be written in history as an American citizen of great courage, exceptional independence, and unquestioned fearlessness—a man who saw his duty clearly and was unwavering in his performance of it. [Great applause.]

Mr. Chairman, while considering the post-office appropriation bill, I think it is most opportune to speak of something that is directly connected with it, namely, the merchant marine. [Applause.] I have, after careful study, thought up a plan that will build up our merchant marine and eventually give us American ships in which to carry our mails to foreign countries.

In 1853 the New York Herald, in an editorial, said:

It must be a matter of sincere satisfaction to know that in sailing and steam vessels we have surpassed the whole world.

James Buchanan, when President of the United States, said, in a speech delivered by him:

Our commerce now covers every ocean; our mercantile marine is the largest in the world.

Alexander H. Stephens referred to our merchant-marine service as follows:

We have now an amount of shipping, not only coastwise but to foreign countries, which puts us in the front rank of the nations of the world.

Mr. GRIGGS. Will the gentleman yield?

The CHAIRMAN. Will the gentleman from Wisconsin [Mr. KÜSTERMANN] yield to the gentleman from Georgia?

Mr. KÜSTERMANN. If it does not take too much of my time.

Mr. GRIGGS. Is the gentleman defending the President or the merchant marine?

Mr. KÜSTERMANN. Both.

In 1859, 66.9 per cent of all foreign commerce of the United States was carried in American vessels. In 1865 this was reduced to 27.5 per cent; in 1901, to 10.3 per cent, and at the present time less than 8 per cent of the goods exported from this country are carried in ships sailing under the American flag.

Our merchant marine has almost disappeared from the oceans. A number of our people, many of whom no doubt are well-meaning and honest, think that the best way to restore our merchant marine to its former rank among the nations is by subsidies, either by direct gift or by paying large sums for carrying the United States mail to foreign countries, which sums are entirely out of proportion to the service rendered.

It is true that some foreign countries are paying subsidies. Germany, for instance, subsidizes some steamship lines that run to the Far East, giving \$1,400,000 to the mail steamers running to East Asia and Australia and \$435,000 for steamships running to East and South Africa. Not one cent of subsidy is paid to the Hamburg and Bremen lines plying between Germany and the United States, and only a fair amount is given for carrying the mail.

As evidence that the subsidies paid by the German Government are not excessive and do not particularly add to the success of the steamship lines is seen from the fact that the North German Lloyd, which, on account of its line to the Far East, enjoys the greatest subsidy, declared in 1907 to their stockholders a dividend of only 4 per cent, while the Hamburg-America Line, which practically receives no subsidies, paid 7 per cent during the same period.

Great Britain pays about \$5,000,000 per year for carrying its mail to foreign countries. Some of these lines receive sums somewhat above the regular price paid for carrying the mail, on account of their being classed as auxiliaries to the navy.

Not one dollar extra, however, is paid to the British ships to and from South America. Therefore American ships wishing to engage in commerce with the South American countries are at no disadvantage, for there are no British ships enjoying subsidies to compete with.

The great ocean carrier of freight to-day is the British tramp steamship, on the lookout for cargoes wherever obtainable, and no subsidies are paid to it.

The bulk of the carrying or freight trade goes to these unsubsidized ships that pay no more attention to international trade competition and show no more preference in taking and delivering goods than our express companies do between competing business houses.

A committee appointed by the British Parliament in 1902 for the purpose of looking into the value of subsidies, came to the conclusion that a general system of subsidies other than an expenditure of a specified sum for the cost of the actual services rendered is inexpedient and costly; further, that subsidies were a minor factor in the development of the British shipping trade, and that it was due mainly to commercial industry and skill.

The only two European countries that pay a subvention to their mail ships far in excess of a fair remuneration for services rendered are France and Italy.

The French merchant marine, in spite of its subsidies, is losing ground every year, and the subsidized Italian lines find great difficulty in even holding their own on the Mediterranean, their own ground, in competition with the nonsubsidized German ships.

While the United States does not admit paying any subsidies outright, the extraordinary high prices paid to American companies for carrying the mail show that we to-day subsidize in effect, if not in name, thereby keeping nearly even with foreign countries in this respect, but simply refraining from calling this kind of subvention by its right name.

To illustrate: The United States pays to the American Atlantic Line \$1.60 per pound for carrying mail matter, while the German lines receive but 44 cents per pound from the United States Government for carrying mail practically the same distance and on equally fast steamers.

This means a subsidy of \$1.16 per pound, now paid the American lines.

In a report submitted by the Commissioner of Navigation a few years ago it is shown that with the price paid by the United States Government for carrying mails, the Cunard and

White Star lines, if their ships were built and registered in the United States would receive \$1,359,108 per year for the same service for which they are now receiving \$1,041,000 from the British Government, a difference of \$318,108, which sum would aid materially in equalizing the wages paid to British and American crews.

In speaking of crews, it may be of interest to know just what proportion of the crew of an American mail steamer must be citizens of the United States. I cite the law for the benefit of those who are under the erroneous impression that the majority of the crew of an American mail ship must be Americans. The law reads:

The vessels employed in the mail service under the provisions of this act shall be American-built steamships, owned and officered by American citizens, in conformity with the existing laws, or so owned and officered and registered according to law, and upon each departure from the United States the following proportion of the crew shall be citizens of the United States, to wit: During the first two years of such contract for carrying the mails, one-fourth thereof; during the next three succeeding years, one-third thereof; and during the remaining time of the continuance of such contract, at least one-half thereof.

In spite of the liberal sums paid to the few American mail steamers still remaining, it has not helped to build up our merchant marine, and even if more subsidies were paid, as is so frequently suggested, it would not materially increase the number of our ships. It would not lessen our freight rates, because competition regulates this matter; nor would it bring any direct advantage to the people of the United States.

The advocates of subsidies are daily appealing to the pride and patriotism of the American people and insisting that the greatness and glory of our country will be furthered thereby; but I maintain that the only satisfaction we, the American people, will get will be the glory of paying a few million dollars a year to some special interests, sums that these interests can not legitimately and honestly earn.

Of course every citizen of the United States desires the American merchant marine to again play an important part in the world's commerce.

Everyone would rejoice to see the number of ships sailing the oceans under the American flag greatly increased, but only in case this can be brought about in a legitimate way.

It is universally conceded to be a great detriment, sentimentally and practically, to have our merchant marine in foreign trade decreased almost to a vanishing point; to see our battle ships coaled by foreign steamers; to have our coaling stations filled with American coal by British, Norwegian, German, and other foreign ships.

Our merchant marine should be an adjunct to our navy in case of need, but under the present conditions it can not be.

Now, the question arises, how can the merchant marine be built up without resorting to artificial means; how can the American flag be restored to the seas without paying the ship-owners large sums for thus displaying their patriotism?

It can be said right here that we are all willing that fair and reasonable compensation shall be paid to all ships performing a service for the Government, whether it be for carrying mail or coal.

The remedy I suggest to offset this subsidy evil is not expensive, nor will it do harm to any American industry. It is simply, in effect, to try similar means that resulted so successfully in building up the merchant marine of Great Britain and Germany.

Let us change our navigation laws so that ships sailing between this and foreign countries are entitled to American registry, even though not built in this country nor entirely owned by American citizens.

Fifty years ago the British navigation laws were as restricted as those of the United States to-day. A few years later the laws were repealed and freedom was given her citizens to buy ships anywhere and have them registered under the British flag. From that time dates the restoration of the British flag to the command of the seas.

Some thirty years ago Germany followed the example of Great Britain and gave her citizens the right to buy ships anywhere in the world and place them under the German flag, and this continues to be Germany's policy to-day.

It has resulted in Germany having the second largest merchant marine in the world.

As Germany became a ship-owning nation, her shipyards commenced to grow and to-day Germany is the greatest competitor of Great Britain in the shipbuilding industry.

Seagoing vessels have not been built so cheaply in the United States as in European countries, for labor and capital in this country have found more profitable employment in other lines.

It is said that large vessels are being built at 30 to 50 per cent less in Europe than in the United States.

Our strict navigation laws affecting foreign-built vessels have not brought satisfactory results, and the building of ocean-going vessels in the United States has almost ceased in spite of these restrictions.

Would it, then, not be advisable to remove the barriers and let Americans buy their ships, to be employed in foreign trade, wherever they please?

In case a corporation wishes to establish a number of steamers under the American flag, allow such company to do so, even if part of the stock in such corporations is owned by foreign capitalists.

In the bill introduced by me for the purpose of removing the present shipping restrictions as relating to ships sailing between our country and foreign ports, I suggest that not to exceed 40 per cent of the stock be owned by others than citizens of the United States.

The British and German governments, in case of corporations entirely capitalized by foreigners, do not object to have these lines fly their flags. However, they do insist that the responsible officers of these companies shall reside in Great Britain or Germany, and that the office of the company be located there.

As long as we allow foreigners to hold large amounts of stock in our railroad companies, in some cases the majority of stock, there should be no objection on our part to have foreign capital help us build up our merchant marine.

With an American captain in command of the ship, with a good proportion of the crew Americans, and with the ownership wholly or nearly so in the hands of Americans, we should be satisfied to have an American flag hoisted over it.

Our patriotism will not suffer even though the ship was built in a foreign country or foreign capital is invested in it, as long as the American flag flies over it.

But our patriotism suffers, at least mine does, when I see by a report published by the Commissioner of Navigation a few years ago that Americans own 136 ocean-going ships, and on account of our restricted navigation laws they are forced to sail under British, German, Belgian, or other foreign flags.

Following is a list of the ships sailing under some foreign flag, but owned by citizens of the United States:

American ownership under foreign flags.

Name.	Flag.	American interest.	Number of steamships.	Gross tonnage.
Leyland Line.....	British.....	J. P. Morgan, New York.	44	277,379
Atlantic Trans- port.	do.....	B. N. Baker, Baltimore.	17	123,593
Oil Tank Lines....	British, Ger- man.	Standard Oil Co.....	14	50,296
Red Star and In- ternational Navigation Co. (Limited).	Belgian, Brit- ish.	C. A. Griscom, Philadel- phia.	15	100,219
North Atlantic Steamship Co., Limited.	British.....	C. and J. Hogan, New York.	11	41,441
New York and Pacific Steam- ship Co., Lim- ited.	do.....	Wm. R. Grace & Co., New York.	9	20,758
Chesapeake and Ohio.	do.....	Chesapeake and Ohio R. R.	6	20,277
Cuban and Mexi- can steamers.	do.....	H. P. Booth, W. D. Mun- son, New York.	12	19,545
Pacific Mail.....	British.....	Chas. H. Tweed, New York.	1	7,575
United Fruit Co..	do.....	A. W. Preston, Boston; R. A. O. Smith, New York.	5	5,913
John A. Donald...	Norwegian...	John A. Donald, New York.	3	2,120
Fortuna Steam- ship Co.	do.....	Daniel Bacon, New York.	1	2,065
Merritt & Chap- man.	British.....	Merritt & Chapman.....	1	374
Total.....			136	672,453

Pecuniary control of American-owned steam vessels with a tonnage of 672,000 tons, now under foreign flags, should cause us all to think hard.

It may not be generally known, but it is nevertheless a fact that the United States Government to-day owns 38 steamships of 102,100 tons, used as transports and colliers, which were built in foreign countries, and as such are not eligible to American registry without a special act of Congress.

Not only does the American-owned steam tonnage under foreign flags, which should be under the American flag but for

our present navigation laws, greatly exceed in carrying capacity all the tonnage now under the American flag engaged in foreign trade, but it nearly equals the entire iron and steel tonnage of Norway, equals that of Spain, and exceeds that of Italy and Japan.

It is true American capital reaps the profit from these ships now under foreign flags, the same as though they were sailing under the American flag.

Another thing that should be borne in mind is the fact that the tax in Germany and Great Britain on ocean-going vessels is somewhat lower than is charged by most of our coast States, though New York, Alabama, and Washington raise no tax on American shipping engaged exclusively in foreign trade.

To help matters, every State in the Union would probably be willing to follow the example set by New York and the other States mentioned.

To have such a large number of American-owned vessels on the seas under the flag and protection of foreign nations certainly means a distinct loss in national prestige.

Just as our flag on war vessels is displayed abroad, presumably to impress other nations with our power, so the display of our flag on merchant vessels in foreign ports is desirable to strengthen our position as a commercial nation. [Applause.]

Whether or not "trade follows the flag," it is certain that the flag increases the business importance and respect for the trader as well as his nation.

There is little doubt that all matters being equal or nearly so, these American shipowners of foreign-built vessels would readily seek American registry and have their ships under the Stars and Stripes.

Now, the bill introduced by me (No. 24633) has this very purpose of bringing back these American-owned ships into our fold, thereby making a good showing on the seas.

If this bill is enacted into law American capitalists would not be obliged to beg of Congress to pass a special act permitting them to fly the American flag over some of the most beautiful ships that ever sailed the ocean, as was done in the case of the steamers *New York* and *Philadelphia*, both being built in England.

The company owning these ships had to pay dearly for their patriotism and for the privilege of hoisting the American flag.

The special act passed by Congress allowing American registry of these two ships also made it mandatory upon the company to have built in this country two other ships of equal size and capacity, the *St. Paul* and the *St. Louis*, at an expense of \$5,100,000.

According to a statement made by the president of the company before the Senate committee, the cost of these two ships built in the United States was \$1,100,000 more than the identical ships could have been procured for in England.

No wonder, then, that our American merchant marine is falling behind when such obstacles are placed in the path of our enterprising people and they are made to pay so dearly for the privilege of sailing under the American flag.

The plea that the American shipbuilding industry would suffer by allowing American registry of ships in the foreign trade and built or purchased in foreign countries is not justified, because there are no foreign-going vessels now built in American shipyards. On the other hand, our shipbuilders would be benefited by the repairs and alterations that would from time to time become necessary on these foreign-built ships.

The same enterprise that enabled us to compete in almost every other line would enable American workmen to so improve on present shipbuilding methods in this country, and so reduce the cost, that not many years would pass before American shipyards would build the greater number of our foreign-going ships.

There is certainly nothing to lose in granting Americans the privilege of buying foreign-built vessels to be used in foreign trade only, and give them American registry.

There is little doubt that a change in our present navigation laws would prove stimulating to the American merchant marine, and that in course of time it would completely restore the prestige of America on the seas.

The experiment is certainly worth trying, and if it has the same effect upon our merchant marine as a similar change in the navigation laws of Great Britain and Germany had upon the maritime conditions of those countries, the time will certainly come when we no longer have to rely upon foreign ships to coal our war vessels, or to carry our mail.

Foreign countries will again see what our flag looks like, and every American heart will rejoice over the greater number of ships on the seas displaying the Stars and Stripes. [Loud applause.]

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. HUBBARD of West Virginia having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Crockett, its reading clerk, announced that the Senate had passed without amendment bills of the following titles:

H. R. 25405. An act to change and fix the time for holding the circuit and district courts of the United States for the eastern and middle districts of Tennessee;

H. R. 21129. An act to provide for refunding stamp taxes paid under the act of June 13, 1898, upon foreign bills of exchange drawn between July 1, 1898, and June 30, 1901, against the value of products or merchandise actually exported to foreign countries;

H. R. 4166. An act to relieve George W. Black and J. R. Wilson from a certain judgment in favor of the United States, and to relieve George W. Black, J. R. Wilson, and W. M. Newell of a certain judgment in favor of the United States; and

H. R. 19859. An act to provide for the payment of certain volunteers who rendered service to the Territory of Oregon in the Cayuse Indian war of 1847 and 1848.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 21957) relating to affairs in the Territories.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 23464) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1910, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WARREN, Mr. HEMENWAY, and Mr. TELLER as the said conferees on the part of the Senate.

POST-OFFICE APPROPRIATION BILL.

The committee resumed its session.

Mr. OVERSTREET. I will ask the gentleman from Tennessee [Mr. MOON] to occupy some time.

Mr. MOON of Tennessee. Mr. Chairman, I yield thirty minutes to the gentleman from Missouri [Mr. LLOYD].

Mr. LLOYD. Mr. Chairman, the bill now before the committee for its consideration carries the largest budget of expense that has ever been carried in a bill of this character. The increase in the appropriation as carried in this bill over the appropriation for the current year is a little over \$11,000,000. Now, the question, to one who has not carefully investigated it, might naturally be raised as to why so large an increase in the postal expenditure. If you will carefully examine this bill, you will ascertain that nearly every expenditure in it has been provided by law or by previous bill in fixing compensation and salaries. This bill provides for more individuals as to salary than any other bill which may be presented providing for the expense of any part of the civil branch of the Government.

The salaries provided for postmasters are fixed by law. The maximum salaries provided for assistant postmasters are likewise fixed by law. The salaries for the clerks in the post-offices are determined by current law and also by the system of automatic promotions heretofore adopted. The same thing is true with reference to letter carriers in the cities. Their salaries are fixed by current law, and the method of promotion has been fixed by statute previous to this Congress. The salaries of the rural letter carriers are fixed, as well as the salaries of the railway mail clerks. The latter's salaries are determined by current law. The most astounding thing that presents itself to our committee is, however, that notwithstanding the Post-Office Committee and the House, in connection with post-office matters, have been more liberal in increasing salaries than in connection with any other department of the Government, there is constantly a demand on the Post-Office Committee and the Members of the House for increase of salary in the various branches of this great service. It is the policy of the Post-Office Committee at this time not to increase salaries.

There are but few increases in the current bill, because of existing conditions in the country. You are aware, of course, of the extraordinary deficit that is found at the present time in current revenue. If you will read the Treasury statement of to-day you will ascertain that there is a deficit already in the general expenses of the current year of over \$77,000,000,

and this will reach, perhaps, the sum of \$135,000,000 before the 30th day of June next. There is also, according to the estimates, a necessary deficit in the fiscal year which will begin on the 1st day of July next, the period for which this appropriation provides. How much may be the deficit for next year no one at this time can tell, but it is reasonable to say that the deficit for the year 1910 will be more than \$100,000,000—possibly \$150,000,000.

Mr. COX of Indiana. In the Post-Office Department?

Mr. LLOYD. No; the general deficiency.

The deficit in 1907 on account of the post-office expenditures, that which was required to be paid out of the Treasury of the United States, was a little over \$6,000,000. The deficit for the year which ended on the 30th day of June last was \$16,000,000. It is estimated that the deficit for the current year, which will end on the 30th day of June, will be a little over \$16,000,000, but the latest statement made by the post-office officials is to the effect that it will go far beyond \$20,000,000.

So that there is not only an increased deficit in the General Treasury, but also one in the postal branch of the service; and because of that deficit we think it is wise—and I think the committee stands together on that proposition—that at this time there shall be no marked increase in the salaries of the various departments connected with the postal service.

Mr. GOEBEL. Will the gentleman allow me to interrupt him to ask him a question?

Mr. LLOYD. Certainly.

Mr. GOEBEL. Does not he know that the largest patron of the post-office service is the Government itself, and that if a reasonable charge was made for that service there would not be a deficiency?

Mr. LLOYD. I think that is true.

Mr. GOEBEL. Therefore, is not this question of a deficiency entirely a myth and does not exist in fact?

Mr. LLOYD. Mr. Chairman, in answer to that question, I will say that there is a sense in which it may be a myth; but as a business proposition, the fact is that the money comes out of the Treasury of the United States. If the Government was required to pay full postage on all the penalty envelopes which are sent out, and if Members of Congress were required to pay the full postage on matter now sent under their frank, then there would be no deficit.

Mr. MANN. Will the gentleman permit me to ask him a question?

Mr. LLOYD. Certainly.

Mr. MANN. And for the same reason an express company would very greatly increase its revenue by charging itself on all its own packages and remittances.

Mr. LLOYD. Precisely so.

Mr. MANN. It seems perfectly ridiculous to talk about that.

Mr. LLOYD. But I am explaining the situation.

Mr. MANN. I understand; I agree with the gentleman.

Mr. LLOYD. The Third Assistant Postmaster-General in his report for the last fiscal year calls attention to this situation and gives an estimate of the postage required on second-class matter free in the county of publication if required to pay the usual second-class rate, the franked matter as if it were sealed and chargeable at the first-class rate, and the penalty, or departmental, mail at what would be the legal rate if full rates were paid. This table follows:

Class of matter.	Estimated weight.	Estimated postage.
	Pounds.	
Second-class matter.....	53,156,094	\$531,560.94
Franked matter.....	4,555,634	3,987,546.44
Penalty matter.....	18,644,010	16,362,131.95
Total.....	76,355,738	20,881,239.33

This table is not fair to the Congressman, in my opinion, because it charges all franked matter as first class and at a rate of 87½ cents per pound, when the greater part of it, if postage were required, would belong to the other classes of mail; but the table explains the contention here and shows that if the various departments were required to pay for their own postal service there would be no deficit.

Mr. MADDEN. Is it fair to charge it when, as a matter of fact, the Government does its own work?

Mr. LLOYD. That is a question my good friend from Cincinnati would say "I am not quite sure about" and to which my friend from Illinois would say "yes." We all understand if the Government paid the same as anybody else for carrying the mail there would be no deficit.

The CHAIRMAN. Gentlemen will please not interrupt gentlemen without first addressing the Chair.

Mr. MADDEN. Mr. Chairman, may I interrupt the gentleman?

Mr. LLOYD. Yes, sir.

Mr. MADDEN. The Government is charged with the amount for its own work to-day, and I will ask whether it should not be charged the amount that it would cost?

Mr. LLOYD. That is a very reasonable suggestion.

Mr. FOSTER of Vermont. Will the gentleman permit me?

Mr. LLOYD. Certainly.

Mr. FOSTER of Vermont. I take it the point the gentleman from Missouri is trying to make is that if the different departments had charged up to them the expense of carrying their mail which is now charged up to the Post-Office Department, then this deficit in the Post-Office Department itself would be wiped out.

Mr. LLOYD. Yes, sir; that is correct, but this point is injected into my remarks by queries.

Mr. PADGETT. But the expenditures of the other departments would be increased.

Mr. LLOYD. Yes, sir.

Mr. GOEBEL. Now, then, is it fair to charge that up to a deficiency in the Post-Office Department?

Mr. LLOYD. Well, I would not want to say whether it is or not. It just depends upon how you view it. My purpose was simply to call attention to the facts as they exist. In this connection, as we have gone somewhat over the question of the franking privilege and the penalty envelope, I want to call attention to something that was a very great surprise to me and it may be equally so to you, when your attention has been called to it. Out in the country districts there is a great disposition to believe that the greater part of the mail that is transported from place to place bears the frank of Members of Congress. There was a weighing taken on the 1st day of July, 1907, and ending on the 31st day of December of that year, which shows that the amount of franked matter is only thirty-seven one-hundredths of 1 per cent of the whole mail.

Mr. MANN. Under the congressional frank?

Mr. LLOYD. Congressional franked matter. Thirty-seven one-hundredths of 1 per cent of the mail.

Mr. HARDY. Mr. Chairman, will the gentleman allow an interruption?

Mr. LLOYD. Yes, sir.

Mr. HARDY. Does that include all the stuff that they send out—for instance, seed?

Mr. LLOYD. It includes everything a Congressman sends through the mail.

Mr. HARDY. Does it include what the departments send out at the request of a Member?

Mr. LLOYD. No; everything that bears the frank of a Congressman, and nearly everything you send out bears the frank of a Congressman. What the departments send out will be sent in a penalty envelope of the department.

Now, I also want to call attention to the fact that at that weighing it was shown that 3.88 of 1 per cent of the mail was carried in penalty envelopes.

That is a surprising fact also, that the proportion between that which is franked by Congressmen and that which is sent in the penalty envelopes of the departments should have so wide a divergence in amount—thirty-seven one hundredths of 1 per cent for the one and 3.88 per cent for the other.

Now, there is another fact to which I want to call your attention at this time. The mail was weighed in 1899 for a portion of the year, and, according to the estimate made, the amount of mail carried in the United States for the full year was 1,566,000,000 pounds. At the weighing made eight years later, in 1907, the amount of mail carried was 2,172,000,000 pounds; and if this increase continues in the same ratio for the next two years as it continued for the eight years intervening between the weighings, the amount of mail carried in the year for which this bill provides will be 2,324,000,000 pounds.

And you will observe on careful examination of the two that in the ten-year period which elapsed between the weighing in 1899 and what would be the weight of the mail ten years later is an increase of 50 per cent in the weight of the mail. The increase in the weight of the mail actually between 1899 and 1907 was a fraction over 39 per cent.

It would be supposed that the cost of carrying the mail would decrease in proportion as the mail became larger in bulk, but if you will compare the weighings of the two periods and the developments of the service in the last ten years you will be astounded to know how much we are now paying for the additional mail. As a matter of fact, in 1899, at the time

of the weighing before, it cost us $6\frac{1}{2}$ cents per pound for every pound of mail that was transported.

Mr. MANN. Do you mean the railway cost?

Mr. LLOYD. No, sir; I mean the total cost was $6\frac{1}{2}$ cents per pound. To-day it is costing this Government a fraction less than 10 cents per pound for carrying the mail, including every item of expense. The Postmaster-General in his report fixed the cost in 1907 at $8\frac{1}{2}$ cents, and there has been an increase since.

Mr. OVERSTREET. I do not think the gentleman means it costs that to carry it. It costs that to handle and carry it.

Mr. LLOYD. I think I answered the question in accordance with the answer of the chairman of the committee. I mean all the expenses of the Post-Office Department combined.

Mr. COOPER of Wisconsin. On what articles?

Mr. LLOYD. On everything that goes in the mails.

Mr. COOPER of Wisconsin. Including letters?

Mr. LLOYD. Including everything. In 1899 the amount of mail was 1,566,000,000 pounds. This year it will be 2,324,000,000 pounds. Now, the total expense in 1900 was \$107,000,000. The total expense to the Government on account of postal matters this year will be \$234,000,000.

Mr. COX of Indiana. To what is that astounding increase due?

Mr. LLOYD. I am going to get at that. Notice the fact, and it needs explanation. The mail has increased in volume 50 per cent in ten years, while the expense of handling it and carrying it has increased 121 per cent.

Now, the answer given nearly always, as a reason for this extraordinary expense, is that it is because of the railway transportation charges. Is that true? Several years ago it seemed to be accepted on the floor of this House as a settled proposition that it cost 5 cents a pound to carry every pound of mail matter that was carried on railway trains. In 1899, at the time of the weighing, there were 1,347,000,000 pounds carried on railway trains, and it cost $2\frac{1}{2}$ cents per pound to carry that mail. It now costs $2\frac{1}{2}$ cents per pound to carry the mail. The fact is we are paying less per pound for carrying the mail by railroad than we paid ten years ago.

If you will examine the system of payments, you can well understand how this could be. Then, if you will remember what has happened in the last three or four years with reference to the reduction of railway mail pay and also with reference to the system of weighing, you will understand how this reduction has been made in the last ten years. The Postmaster-General, in his last report, in speaking of the cost of carrying the mail, said of the payment to the railroads:

Of this amount, approximately $2\frac{1}{2}$ cents per pound is paid to the railroad companies for transportation; a few mills must be added for car service, freight on empty mail bags, etc., which items increase the total cost of railway handling of second-class matter to approximately $2\frac{1}{2}$ cents per pound.

This expense has been slightly reduced since that time, so that the Postmaster-General fully bears out my statement. In 1900 the railroads were paid \$37,480,000 to carry 1,347,000,000 pounds, while in 1910 it will cost \$51,368,000 to transport a little over 2,000,000,000 pounds.

If we paid the same amount per pound for carrying the mail at the present time that we paid ten years ago, this bill instead of carrying \$234,000,000 would carry \$77,000,000 less. Notice the statement, \$77,000,000 less than it now carries. Now, why is the difference? We are expending on account of rural service \$37,000,000. This bill carries \$37,300,000. That does not account for the \$77,000,000. There is something of remuneration comes from the rural service. The estimate is usually made that it pays about 12 per cent of its cost. Another thing that occurs is that the rural service reduces expenditure on account of the star route. If you will make investigation you will ascertain that the expenses for star routes from 1900 to 1905 increased nearly 50 per cent, while since that time the expenses of the star routes have not increased appreciably. If there had been the same increase in the expenditure on account of star routes for the last five years as for the preceding five years, the expenditures on account of the star route would have been more than \$3,000,000 greater than is carried in this bill.

I think that it may be safely said that \$30,000,000 of this bill and \$30,000,000 of the \$77,000,000 increase comes from the rural service. That leaves \$47,000,000 to be accounted for. Now, that does not come from the Railway Mail Service. Where does it come from? I have called your attention to the two avenues to which nearly all individuals will point you, either to the rural service or to the transportation charge of the railroad companies. One accounts in part, but the other does not in any particular.

The increased pay to the railroad companies just about corresponds to the increased weight of the mail. The increase in expenditure to postmasters corresponds with the increase in the weight of the mail. I never investigated this matter until within the last two weeks, to ascertain whence it came. I was

surprised to find the condition. I do not know just how it is to be remedied. I do not know certainly that it is improper. But it is one of the things that my friend from Indiana, the chairman of this committee, with others on the Postal Commission, will remedy, if it can be rightfully done, by recommending a business system, which will have the effect to avoid it.

Mr. Chairman, if there is the same per cent of increase in the expenditures in the Postal Department for the next eighteen years that there has been in the last ten years, the expenditure of this department alone will amount to \$1,000,000,000. My friend from Tennessee [Mr. Moon] a few minutes ago said that within ten years it would reach the sum of \$400,000,000. You can make the computation for yourselves. The increase in the last ten years has been 121 per cent. In order to be sure that I am right, make your own figures. One hundred and seven million dollars in 1900, \$234,000,000 provided in this bill. That is 121 per cent increase. One hundred and twenty-one per cent increase in the next ten years makes \$516,000,000. The same proportionate increase for eight years longer will make a little over \$1,000,000,000 expenditure for 1928.

Now, where is the trouble? It is accounted for to a great extent in three items, railway mail clerks, post-office clerks, and city letter carriers. The increase in expenditures for this service has been over 120 per cent in the last ten years.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. LLOYD. Certainly.

Mr. COOPER of Wisconsin. Does the gentleman mean in the number of employees or in the amount of salaries in the aggregate?

Mr. LLOYD. I mean both. I mean that we are expending more than 120 per cent more on account of these employees than we did in 1900.

Mr. COOPER of Wisconsin. The increase of salary accounts for some of it.

Mr. LLOYD. Yes.

Mr. SABATH. Does the gentleman mean that the salaries have increased or the number of letter carriers and the number of clerks have increased?

Mr. LLOYD. I have just explained to these other gentlemen that there has been an increase in the salary and there has been an increase in the number of employees.

Mr. SABATH. What is the increase in salaries of clerks and letter carriers?

Mr. LLOYD. Between \$100 and \$150 each. I have not, nor can not obtain the exact figures, because of the changed form of the items of appropriation for the service.

Mr. SABATH. That would be about 15 per cent.

Mr. LLOYD. Yes; something more than that. I would rather not be diverted at this time to the discussion of the question of further increase of salaries. I want to get at the fundamental question. What is the trouble in the Post-Office Department? Why this extraordinary expense? I know from private conversation that the gentleman from Illinois is interested in the increase of salaries of post-office employees.

Mr. SABATH. Yes; because it costs to-day 15 per cent more to live than it did then.

Mr. LLOYD. I do not want to go into the question whether any particular individual or individuals are getting too much or not.

I am of the opinion that it is the men at the bottom in the United States Government who are not receiving enough salaries, and the disposition in legislation in connection with all salaries is to increase at the top and not to allow the fellow at the bottom to be increased. [Applause.] You will notice the cost for city letter carriers in 1900 was \$13,700,000. The amount carried in this bill is \$29,700,000.

Mr. OVERSTREET. Mr. Chairman, I think it proper to suggest to the gentleman from Missouri that there is a clerical error in the computation of that item, which I will ask to have corrected when it is reached in the bill.

Mr. LLOYD. It is only slight, however.

Mr. OVERSTREET. Yes.

Mr. LLOYD. It does not affect this.

Mr. OVERSTREET. I only wanted to call the attention of the gentleman to the fact that there is a mistake in the computation.

Mr. LLOYD. It does not affect the first two figures, 29.

Mr. OVERSTREET. No; it does not.

Mr. LLOYD. You notice my figures, \$13,700,000. The bill itself without any change carries \$29,700,000.

Mr. COX of Indiana. That is for city letter carriers?

Mr. LLOYD. Yes; an increase you can readily see of \$16,000,000 over what it was ten years ago. Now, let us take the city post-office employees. In 1900 there was expended \$12,500,000, and for the same items in this bill there are carried \$34,500,000, an increase of 176 per cent.

The CHAIRMAN. The gentleman's time has expired.

Mr. OVERSTREET. I yield to the gentleman for fifteen minutes.

Mr. LLOYD. I want to thank the chairman of the committee for this courtesy. I was remarking that the increased expenditure on account of post-office employees in ten years was 176 per cent, while the increase in business in the offices was 50 per cent. I have no complaint to make of anyone on account of this situation.

I am not charging any man anywhere with anything wrong in this connection, but I do say this, that there is something radically wrong in a system that would increase the expenses of a business so rapidly as that expense has increased. Do gentlemen realize that the increased weight of mails that is carried now beyond that of ten years ago is costing this Government 17 cents a pound? It was 6½ cents a pound in 1900. The additional weight of mail now is costing 17 cents a pound to the Government to handle and transport.

Mr. SABATH. Will the gentleman yield for a question?

Mr. LLOYD. Yes.

Mr. SABATH. Why do we pay nearly 300 per cent more for the additional weight now? The gentleman has stated that we were paying 6½ cents for a certain portion of the mail and 17 cents for another.

Mr. LLOYD. That is the expenses that I have been calling attention to. One of the items of it is employees in the post-office, and I have not said that there are too many employees.

Mr. HARDY. Will the gentleman yield?

Mr. LLOYD. Yes.

Mr. HARDY. Is not a great deal of this additional expense owing to the fact that, whereas formerly people in cities went to the post-office, now all that mail is handled a great deal more in being distributed around to private residences, mail boxes all over the big and little cities, where they were not before, and have not the facilities and the convenience of the people in cities and the country been added to largely?

Mr. LLOYD. In answer to that question I will say this: Here is a surprising fact, that the increase in the expense of the letter carriers, who are the persons that carry this mail to the people, is 118 per cent, while the increase in the employees in the post-office is 176 per cent.

Mr. SPERRY. I would like to ask my friend a question. Will he yield?

Mr. LLOYD. With pleasure.

Mr. SPERRY. The gentleman is speaking of the expense—the increased expenses. This Government of ours is growing a little, is it not? Does the gentleman know of a place anywhere in the history of the Post-Office Department where he has found that the Post-Office Department was established for the purpose of putting money into the Treasury? Rather, was it not to increase and help and assist business? [Applause.] That is what it was for.

Mr. LLOYD. In response to the statement of my good friend from Connecticut, Mr. Chairman, I wish to say I fully concur in the statement. There is not any disposition on my part to want to cripple the service anywhere, and I have not thus far asked that a single employee shall be reduced in salary or that a single one shall be cut off. I am not in position to do that, for when I started out I expressed the view that this committee had done the best it could in connection with this situation.

But I want to call attention to a fact right here. The chairman of this committee, one of the most faithful men I ever knew in connection with the duty imposed upon him, can not tell anyone to-day of his own knowledge whether it is necessary to increase the number of employees in any given branch of the postal service to the extent that is asked by the Post-Office Department. How does he know? He does the best he can to ascertain why it is; so does every member of the Post-Office Committee, and yet this bill, the most economical brought before this Congress in recent years, is a bill which provides for over 7,000 new employees.

Mr. GARRETT. What relation does the deficit bear? What is the percentage of deficit? What relation does it bear to the per cent of increase of appropriations expended?

Mr. LLOYD. Why, I made a statement about that a while ago. I beg the gentleman's pardon, but I would rather not repeat it. I will tell the gentleman privately.

Mr. GARRETT. Certainly.

Mr. COX of Indiana. I would like to ask the gentleman a question. You are giving, certainly to me, some exceedingly valuable information. You have figured out here an increase of \$16,000,000, I believe, from 1900 to 1910, due to increase of expenditures. Am I correct in that? Now, is that \$16,000,000 due solely to the increase of salaries of city letter carriers or to an increase of additional—

Mr. LLOYD. I beg the gentleman's pardon. I will give the exact figures. For 1900 they were \$13,700,000, and in this bill they are \$29,700,000. The gentleman can make the computation himself, and he will see it will be a difference of \$16,000,000.

Mr. COX of Indiana. Putting it at \$16,000,000, is that due

solely to the increased salary of city letter carriers, or is it due to that in addition to new city letter carriers?

Mr. LLOYD. It is due mainly, of course, to the increased number of letter carriers rather than the increase of salary; yet it is due to both, because in those ten years all of these employees have been increased more than \$100 in salary.

I have called your attention to the city letter carriers and post-office employees. I wish to call attention to the railway mail clerks, which in part accounts for these extraordinary expenses.

The cost of railway mail service in 1900 was \$8,800,000, while in this bill it provides for an expenditure of \$19,500,000, an increase of nearly \$11,000,000, much more than double, a 120 per cent increase. Now, just at this juncture I see my additional fifteen minutes is about gone, but I want to call attention to a question which every Member, I suppose, on the floor is called upon to meet. You have received numerous letters calling attention to the fact that railway mail clerks ought to have some increased compensation on account of travel pay. In other words, that they should receive compensation for the expenses which they may incur while away from their homes in the discharge of their duties. At the present time the average pay of the city letter carrier or employee in the city post-office is a little less than \$1,000. The average pay carried in this bill for railway mail clerks is about \$1,165, a difference of nearly \$200. In other words, the railway mail clerks now receive nearly \$200 more compensation than does the city letter carrier or the employee in the city post-office.

Now, I wish to call attention in this connection, and it does not shed much light on it, but it is a little bit of history in which you might be interested, that in Great Britain the average amount paid the railway mail clerk is \$940; in Germany it is \$850; in France it is \$870. In Great Britain it is \$225 less than the United States, in Germany \$315 less, and in France \$290 less. Now, in Great Britain the railway mail carrier is required to devote three-fourths of his time to his business. He receives \$780 salary and \$160 travel pay. In Germany the salary is \$515 and a house is provided at \$135, and travel at \$200. In France a house is provided at a cost of \$80 and mileage \$180 with a salary of \$610. In the United States, as most of you know, the average railway mail clerk is required to devote one-half of his time to the service of the Government and the other half of his time he is at home with his family. During that half time, however, he is expected to devote himself to study to fit himself for the duties of the position. Now, there is another thing with reference to the railway mail clerk that does not occur to other employees. It is well known everywhere that the railway mail clerk's position is extremely hazardous. He is on the train all the time, or very nearly all of his time. It is a very dangerous position, and a very trying position to the individual standing on his feet in the performance of his duty, but the law also provides at the present time that the railway mail carriers if injured while on duty can receive one year's pay if injured and unfit for duty for as long a period as twelve months.

If misfortune should occur to such an extent as that his life is taken while in the performance of duty, a thousand dollars is paid to his family.

Mr. OLLIE M. JAMES. If the gentleman will permit, in giving the difference between the wages paid in the United States to the railway mail clerks and the wages paid in Great Britain, of course the gentleman has not made any allowance for the difference in the cost of living. Now, is it not true that the railway mail clerk in Great Britain, when you consider the cheaper cost of living there than in the United States, gets really more for his labor than we pay here?

Mr. LLOYD. That is a question that I have gone into in part, but not to a sufficient extent to correctly answer. Generally, I will answer the proposition that the cost of living is somewhat less in those countries than it is here.

Mr. OLLIE M. JAMES. But the "somewhat" does not quite express it. Is it not true that the cost of living is 50 per cent less there than it is here?

Mr. LLOYD. Well, I would not say it is that much.

Mr. OLLIE M. JAMES. But does the gentleman not know that the cost of all necessities of life is very much greater in this country?

Mr. GOEBEL. Will the gentleman allow me to ask him this question? What are the hours of railway mail clerks in Great Britain, Germany, and France, and what are the hours in the United States?

Mr. LLOYD. Why, in Great Britain three-fourths of the time.

Mr. GOEBEL. I am talking of the hours.

Mr. LLOYD. Well, that is three-fourths of the time—three-fourths of the full time that would be expected of any other employee. In Germany he is expected to devote exactly the same time as any other employee in the service, namely, full time. In the United States, half of the time.

Mr. GOEBEL. Is it not a fact that they have very short runs and in America very long runs?

Mr. LLOYD. Of course it is true that in England or in all the European countries the run is usually shorter than in the United States, but we have some short runs in the United States.

Mr. OLLIE M. JAMES. If the gentleman will permit me, is it not also true that in the United States every year 25 per cent of the men engaged by the Government as railway mail clerks are either killed or injured, and is it not true that the per cent is not one-third that rate in England?

Mr. LLOYD. I understand from statistics there is a greater percentage in the United States than in England or any other European country—a greater per cent killed, but I do not think there is 25 per cent in the United States killed. I think that is an overdrawn estimate.

Mr. OLLIE M. JAMES. I did not say "killed." I said "killed or injured."

The CHAIRMAN. The gentleman's time has expired.

Mr. MOON of Tennessee. I yield the gentleman five minutes more.

Mr. LLOYD. I was calling attention to the railway mail clerks and the question of travel pay. Our committee has not passed on the question of travel pay. It is a new proposition. There is no man on the committee, so far as I know, but who is in full sympathy with the railway mail clerks. We are ready to do what ought to be done; but at this juncture the committee, as a committee, is not prepared to pass on the question as to whether we should provide a travel pay or increased salary; and if we provided a travel pay, what it should be, and what should be the limitation of it, and what should be the method of that pay. But we have done this much for the railway mail clerks: If you will examine this bill, you will ascertain that we have provided for the promotion of 5,440 of them, or one-third of them, at an increased pay of \$100 each. The railway mail clerks have received a little recognition in increased compensation, notwithstanding the committee have not acceded in this bill to their demand for travel pay.

Mr. COX of Indiana. From what class to what class?

Mr. LLOYD. Promoting from the lower class to the higher, all the way up.

Mr. SABATH. The gentleman stated a few moments ago that if the railway mail clerks are injured they receive a certain compensation, but he did not state, however, that in England, in France, and in Germany they receive the same compensation and, in addition, receive a pension.

Mr. LLOYD. I did not say anything about pensions being given to them in England.

Mr. SABATH. They do receive compensation when they are injured, and they also receive a pension in England, in Germany, in France, and in other foreign countries.

Mr. OLLIE M. JAMES. I want to ask the gentleman if it is not true that reports of the Post-Office Department show that in the last five years there have been 2,963 clerks injured or killed, and that that is at the ratio of about 1 to 4 of those employed?

Mr. LLOYD. In what time?

Table presented by Mr. H. E. Miles, showing protection given in the Dingley law to all the great industrial trusts in the United States.

The excess of the duty above the wage cost and the ability of the trusts to do with no protection whatever is shown by their exportation of their products into the open markets of the world. Invariably these trusts charge the home consumer from 15 to 25 and sometimes 60 per cent more than their foreign customers, adding thereto a considerable part of the tariff to their prices as against the home consumer.

Company.	Duty under Dingley Act.	Ad valorem equivalent. Report of Bureau of Statistics on Commerce and Navigation, fiscal year 1907.	Wages, per cent of cost, census of 1905.	Imports fiscal year 1907. Report of Bureau of Statistics on Commerce and Navigation, fiscal year 1907.	Value of products 1905, census of 1905.	Exports Bu- reau of Sta- tistics, 1907, Commerce and Navigation.
Standard Oil (complete control):						
Crude.....	Countervailing.....	99 per cent.....		\$2,134		
Refined.....	do.....	7 per cent.....	6 per cent.....	159,721	\$175,005,320	\$78,228,819
Steel trust (Morgan and Rockefeller domi- nation, complete control):						
Ore.....	40 cents a ton.....	17 per cent.....		1,212,607	\$100,000,000	674,184
Pig.....	\$4 a ton.....	40 per cent.....		15,389,467		1,634,923
Bar.....	\$12 a ton.....	28 per cent.....		1,675,424		1,889,348
Rails.....	\$7.84 a ton.....	29 per cent.....	15 per cent.....	107,308	\$905,787,733	8,384,241
Steel ingots.....	3-10—4 7-10 cents a pound.....	14 to 35 per cent.....		3,049,349		2,628,555
Sheet iron.....	9-10—5 7-10 cents a pound.....	8 to 65 per cent.....		1,183,760		2,000,427
Tin plate.....	1½ cents per pound.....	46 per cent.....	7 per cent.....	4,648,705	35,288,390	776,554
Wire.....	1½ to 2 cents per pound.....	39 to 55 per cent.....	8 per cent.....	985,706	37,914,419	8,482,074
Nails.....	¾ to 2½ cents per pound.....	3 to 43 per cent.....	19 per cent.....	6,043	8,922,896	3,082,589
Brass goods trust (American Brass Co.), per cent of control unknown:						
Bars and pig (raw material).....	Free.....	Free.....		1,849,625		
Goods.....	15, 25, 35, and 45 per cent.....	45 per cent.....	17 per cent.....	95,189	99,083,837	4,580,455
Car builders' trust (American Car and Foundry Co.), 65 per cent control.	Mostly 45 per cent.....	45 per cent.....	19 per cent.....	None.	122,019,506	+9,000,000
Locomotive trust (American Locomotive Co.), control 70 per cent.	45 per cent.....	45 per cent.....		None.		Not separately classified; sell freely abroad.

Mr. OLLIE M. JAMES. In the last five years.

Mr. LLOYD. I have not the figures just now with me.

Mr. OLLIE M. JAMES. I will say to the gentleman that this is information taken from the reports and submitted to me by one who took them from the reports.

Mr. LLOYD. In 1906 there were 16 killed and 491 injured; in 1907, 21 killed and 787 injured; and in 1908, 6 killed and 640 injured. I have not further data at hand.

Mr. OVERSTREET. I would like to state, in order that the statement of the gentleman from Kentucky may not be accepted, that I challenge that statement myself; that it can not be in accordance with the facts.

Mr. OLLIE M. JAMES. Which statement?

Mr. OVERSTREET. That over 2,000 railway mail clerks have been injured in the last five years.

Mr. OLLIE M. JAMES. I have the statement submitted to me by the president of the Railway Mail Clerks, in which he says that the total number that have been either killed or injured and slightly injured is 2,963.

Mr. OVERSTREET. I challenge that statement, no matter who signs the letter.

Mr. OLLIE M. JAMES. I do not know whether it is correct or not. I believe it is true. It was supplied me from a perfectly trustworthy source, taken from the report of the Post-Office Department. I would say that the gentleman from Indiana, who has questioned it so much without knowing anything about it, might himself supply the record.

Mr. SABATH. I will give you information on that point. I would like to say to the gentleman from Missouri I have the figures here showing how many people have been killed and injured by our railroads during the last year, and the figures show that the people killed were 4,534.

Mr. LLOYD. I have called attention to the fact that the excesses in expenditure are largely chargeable to the rural service, the expenses in the city post-offices, city letter carriers, and the railway mail employees. This bill provides for 2,625 new clerks in city post-offices, 1,700 letter carriers and 1,056 railway mail clerks. The bill contemplates the establishment of 1,500 rural routes and the expenses of the carriers therefor. Some definite system ought to be adopted by which the Post-Office Committee and the Congress can have accurate knowledge as to the needs of the service. No patriotic citizen wishes to cripple it in the least, but, on the other hand, not a clerk should be provided that is not necessary to the postal service.

I have been interrupted a number of times. I ask leave to revise my remarks in the RECORD.

The CHAIRMAN. The gentleman from Missouri asks leave to revise his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. MOON of Tennessee. I yield to the gentleman from Texas.

Mr. SHEPPARD. Mr. Chairman, I desire to incorporate in the RECORD a statement by Mr. H. E. Miles, of Racine, Wis., an eminent Republican, manufacturer, and protectionist, showing the protection given by the Dingley law to the great American trusts:

Table presented by Mr. H. E. Miles, showing protection given in the Dingley law, etc.—Continued.

Company.	Duty under Dingley Act.	Ad valorem equivalent. Report of Bureau of Statistics on Com- merce and Navigation, fiscal year 1907.	Wages, per cent of cost, census of 1905.	Imports fiscal year 1907. Report of Bureau of Statistics on Commerce and Navigation, fiscal year 1907.	Value of products 1905, census of 1905.	Exports Bu- reau of Sta- tistics, 1907, Commerce and Naviga- tion.
Farming-tool trust (American Fork and Hoe Co.), control 80 per cent.	45 per cent.	45 per cent.		None.		+\$7,000,000
American Linseed Co. (linseed oil trust), linseed oil.	20 cents per gallon of 7½ pounds.	50 per cent.	3 per cent.	\$5,712	\$27,577,152	208,712
United Lead Co. (lead trust) controls 85 to 95 per cent:						
Ore.....	1½ cents per pound.	79 per cent.	4 per cent.	566,057 1,013,166 18,430	9,277,462	
Bar, pigs.....	2½ cents per pound.	50 per cent.				
Sheet, pipe, etc.....	2½ cents per pound.	49 per cent.				
American Sugar Refining Co. (sugar trust) control 70 to 90 per cent:						
Not above No. 16 Dutch standard (raw).	0.95 cent to 1.75 cents per pound.	25 to 120 per cent.		91,491,972		
Above No. 16 (refined).	1.95 cents per pound.	72 per cent.	3 per cent.	116,030	277,285,440	
Tobacco trust (controls 90 per cent of American business, 40 to 60 per cent foreign):						
Cigars and cigarettes.....	\$4.50 per pound plus 25 per cent.	147 to 153 per cent; 274 per cent on Philippine cigars.	19 per cent.	4,195,983	331,117,681	
Tobacco, snuff, etc.....	55 cents per pound.	78 to 151 per cent.				
Steam radiator trust control 80 per cent.	35 per cent.	35 per cent.		None.	Not separately classified. Do.	
Thread trust (American Thread Co.) control 50 per cent.	3 to 81 cents per pound.	10 to 78 per cent.		3,521,860		
Woolen trust (American Woolen Co.) control 60 per cent:						
Cloth.....		55 to 135 per cent.	18 per cent.	5,586,101 9,526,573 10,216 60,548 111,405	307,941,710	{Woolen goods.
Dress goods.....		70 to 118 per cent.				
Knit fabrics.....		96 to 141 per cent.				
Flannels.....		86 to 144 per cent.				
Felts.....		96 per cent.				
Glucose trust (Corn Products Co.), large control:						
Starch.....	1½ cents per pound.	46 to 60 per cent.	11 per cent.	150,614	8,082,904	1,126,465
Glucose.....	do.	55 per cent.	7 per cent.	4,465	24,566,982	3,017,527
Match trust (Diamond Match Co.) control 85 per cent.	8 cents per gross boxes or 1 cent per 1,000 matches.	15 to 32 per cent.	20 per cent.	207,999	5,646,741	71,035
Chemical trust company (General Chemical Co.) control 70 per cent:						
Borax.....	5 cents a pound.	151 per cent.		48,118	2,122,808	
Tannin.....	50 cents a pound.	114 per cent.		2,797	200,130	
Sulphuric ether.....	40 cents a pound.	262 per cent.		372		
Vanillin.....	80 cents an ounce.	320 per cent.		25	165,044	
Meat trust:						
Bacon and ham.....	5 cents a pound.	23 per cent.	5 per cent.	102,101 41,610 395 31,328 28,857 252,015	801,757,137	{50,169,179 31,831,263 57,497,980 83,874 26,598,404 696,025
Beef.....	2 cents a pound.	18 per cent.				
Lard.....	do.	20 per cent.				
Mutton.....	do.	23 per cent.				
Pork.....	do.	14 per cent.				
Cracker trust (National Biscuit Co.) controls 70 per cent.	20 per cent.	20 per cent.		252,015		
Stamped ware trust (National Enameling and Stamping Co.) controls about 55 per cent stamped, galvanized, or japanned tin and copper wares.				26,635 26,177		
Rubber goods trust (Rubber Goods Manufacturing Co.) controls 40 to 60 per cent.	20, 30, and 35 per cent.	20, 30, and 35 per cent.	15 per cent.	52,812 2,265,261	62,995,909	4,983,012
Plumbing supply trust (Standard Sanitary Manufacturing Co.), 80 per cent control: Enamelled ironware.	40 per cent.	40 per cent.		932,980		Not separately given.
Box board trust (United Box Board and Paper Co.), 90 per cent control.	25 and 35 per cent.	25 and 35 per cent.		Imports not given separately. 23,775		Do.
Cast-iron pipe trust (United States Cast Iron Pipe and Foundry Co.).	0.4 per cent.	32 per cent.				Do.
Leather trust (United States Leather Co.) controls 60 to 75 per cent.	20 per cent to 30 cents a pound plus 20 per cent.	20 to 36 per cent.	11 per cent.	4,038,915	252,620,986	32,058,217
Asphalt trust.	\$1.50 to \$3 a ton.	28 to 36 per cent.		583,422		274,476
Salt trust (International Salt Co.):						
In bags or packages.....	12 cents per 100 pounds.	90 per cent.	}	380,029 3,621,061	55,903,851	1,180,415
In bulk.....	8 cents per 100 pounds.	33 per cent.				
Cement trust.	do.	25 per cent.				

a Estimated.

b Products of blast furnaces, steel works, and rolling mills.

c 1898, 68 per cent.

d Includes excise.

e Tannic acid.

f Total meat imports, \$2,328,510, of which more than one-half free of duty (like bologna and sausages, etc.): total export of meat products, \$195,759,282.

g Bread and biscuits.

h Tinware.

i Copper ware.

j Not including skins.

k Dutiable.

l 1907.

NOTE.—The items of wages in this exhibit do not include wages in prior operations, for which in most cases allowance can easily be made. In glucose and linseed, for instance, the prior labor is that of raising corn and flax. In steel the prior labor is in mining and transportation of materials. The United States Steel Corporation's total wages, covering everything from ore in ground to finished product, is just under 25 per cent of its selling price, instead of 15 per cent shown in table for steel plants only. On the other hand, protection is to be measured not by the total wage cost, but the difference in total costs here and abroad. The difference in cost is very much less than the total wage cost. The tables are therefore highly significant of the excessive protection of which American trusts take advantage.

It is to be noted that most of our great trusts control the raw materials, with the minimum of wage cost. The car builders' trust is of the other sort, controlling a highly finished product. This wage cost would be greatly increased by the wages in its supplies, axles, textiles, etc. The addition of this prior labor would still show the duty very excessive, while exportations amounting to \$9,000,000 annually show the need of little or no protection.

Most, if not all, of these large trusts charge the foreign consumer much less than the domestic consumer. They saw in the Dingley tariff not only an opportunity of great profit, but practically an invitation from the United States Congress to consolidate and add as much as they might of the excesses in the tariff to their selling prices. The hurt to the "ultimate consumer" is evident. Almost as much hurt has been done to the 175,000 independent, nontrusting manufacturers, who operate under the competitive principles and look to these trusts for supplies and to the workmen in these nontrusting establishments, whose wages and hours of labor are affected in proportion as their employers prosper or suffer.

We are all protectionists. These figures exhibited emphasize the need of a tariff commission and the utmost care in the making of tariff rates that all may be benefited equally and none hurt.

Mr. SHEPPARD. The preceding table was prepared by Mr. Miles, and the note appended is also of his authorship.

Mr. MOON of Tennessee. I yield to the gentleman from Indiana.

Mr. ADAIR. Mr. Chairman, I have here an article prepared by the vice-president of the American Letter Carriers' Association, Mr. Edward J. Gainor, which contains a great deal of thought, study, and general information on the subject of the postal deficit.

Mr. MOON of Tennessee. I yield five minutes to the gentleman from Porto Rico.

Mr. LARRINAGA. Mr. Chairman, I rise for the purpose of making a few remarks in connection with some cablegrams I have received from Porto Rico. Ever since the civil government was established in the island there has been a petty game started there by some people who want to keep Porto Rico in the same condition of a colony that it is now. The purpose is to make the people of the United States believe that there is a sentiment of anti-Americanism in the country. This is an old game, Mr. Chairman. It has not even the merit of being an original one. It was tried in the old times under Spain.

Whenever the liberals were in power at Madrid something was started in Porto Rico to keep the Government from improving our political condition by giving us some measure of political reform. Some artificial revolution was fabricated, some hot speech was made by somebody, perhaps paid to make it; some articles were published in the papers for that purpose; and so on. It just happens that the same policy has been going on since the Foraker Act was established in Porto Rico. The purpose is to imbue the administration and Members of Congress with the idea that there is a sentiment of anti-Americanism in the island. That there is a sentiment of discontent there is no doubt. We are not satisfied either with our political or our economic conditions, but to say that a sentiment of anti-Americanism exists is the greatest calumny on our loyal people that could have been invented.

Mr. Chairman, let me tell you from this moment on you will see the American press full of these reports from an agent there purporting to make Members of Congress believe that there is such a sentiment. In order to be ready to meet it, I wish to expose that conspiracy right here in this House.

The agent down there in charge of sending news to the American press is to-day, and has always been, in the pay of the Government. The Government takes great care to have him always in a very good office. Already the nefarious work is begun. An unfortunate affair, one in which the honor of an old family was involved, resulted in the shooting of an officer of the police, alleged to have been the destroyer of that home. Immediately the sad occurrence was flashed to the American press under the caption "Porto Rico crime swept!"

Mr. Chairman, our criminal statistics compare very favorably with those of any State in the Union, but we must be prepared to hear more from this on. They will not stop the slanderous work on that peaceful, law-abiding people, whose only sin is to shelter such men.

That is one of the articles of faith with the local government; but I tell you, gentlemen, that if that was true, if a sentiment of anti-Americanism existed there, I would not be representing the people of Porto Rico in this House.

For more than forty years I have been known through the island as one of the most enthusiastic advocates of American annexation, of American principles, and one of the many who had cooperated to form that spirit of friendship with which the Americans were received on the 25th day of July, 1898, at the Port of Guanica. That was so sincere, it was so deeply rooted in the hearts of the people that, although at the time we had no grudge against the Spanish Government, for Spain had already conceded to us our self-government—a better government than that of any province in the mother country—yet they were received as friends. Mr. Chairman, that was not the whim of a moment. The people knew that the geographical and all other circumstances were such that their final destiny was to become a part of that great Nation they had been taught to admire and revere. True it is, Mr. Chairman, that we expected better treatment at the hands of this great Nation. We protested when that organic act was given to us in 1900, but that was a temporary act, and the United States had many difficult problems to solve at that time, with all the different Territories that, through accident of war, had come into their hands. We patiently have waited to see if that act was amended in a manner more in harmony with the conditions of our people and the principles of American democracy, but, as the gentleman from Ohio very justly said the other day, the time has come when our people should be granted a better form of government than that given by the present organic act.

For many years we have been putting up with all the encroachment of our masters in that executive council or upper house. For many years we have cooperated with our local government to the verge of humiliation; but the time has come, Mr. Chairman, when we are no longer disposed to allow them to go beyond the limits fixed by the organic act, narrow as those limits are, for the genuine representation of the people in the lower house. I will explain the present situation.

In 1904 the Union party, the one more strenuously opposed to the Foraker Act, carried the elections by an overwhelming majority; in 1906 we carried the whole island, electing every member to the lower house; in 1908 we swept the island from one end to the other. This shows very clearly that our people are more determined every day to stop the encroaching tendency of that upper house or executive council. Every member elected by the people belongs to the party that is no longer disposed to be ruled by those gentlemen of the executive council according to their caprice. These are the present political conditions down in Porto Rico.

In order to scare the weak-minded and to engage the sympathy of Congress, of the Executive, and of the American people, it seems that they are taking up the old game of talking of the existence of anti-Americanism in our party.

There is no such thing, Mr. Chairman; it is an unmitigated falsehood, a miserable political trick, and I solemnly denounce it right here as such. As regards the American people and the Nation, the same sentiment that existed at the landing of the Americans exists to-day.

I am elected by my people by more than 100,000 votes, and by an overwhelming majority, not because of any recognized ability in statesmanship or politics, which do not concur in me, but because of my unflinching faith in the righteousness of our cause, my devotion to the true American principles, and my love and admiration for the American people.

Mr. OVERSTREET. I yield to the gentleman from Massachusetts [Mr. GARDNER].

Mr. GARDNER of Massachusetts. At the appropriate time I shall offer an amendment to this bill so as to grant to 50 per cent of the highest grade (fourth grade, at \$1,000) clerks in second-class post-offices a promotion to the fifth grade at \$1,100. This increase is not included in the Treasury estimates, and will cost about \$50,000. The bill before us, reported by the Committee on Post-Offices and Post-Roads, grants to 50 per cent of the highest grade (fifth grade, at \$1,100) clerks in first-class post-offices a promotion to the sixth grade, at \$1,200. This increase is likewise not included in the Treasury estimates, and will cost about \$150,000.

If this bill is adopted without the amendment I shall offer, it will establish the precedent that there shall be a difference in salary amounting to \$200 per annum between clerks of equal standing and equal responsibility, based solely on the reason that one group of such clerks serves in small cities while the other group serves in large cities. The post-office law of 1907 distinctly repudiated the view that \$200 should mark the difference in salary between highest grade clerks and carriers in large and in small offices.

The difference was established at \$100. In my belief, even that amount of difference is unreasonable and not based on any fair measure of relative costs of living. Except in the items of rent and perhaps transportation, living expenses are no less in small cities than in large.

In view of the depleted condition of the Treasury, I should have raised no objection if the Committee on Post-Offices and Post-Roads had adhered to the Treasury estimates; but the committee has not seen fit to do so. Inasmuch as the promotion for clerks in first-class offices has been recommended, all considerations of equity would seem to require the inclusion of a corresponding promotion for clerks in second-class offices.

I especially hope that the second paragraph on page 20 of this bill will not be retained in its present shape. It is not consistent with our practices in other matters to force railway postal clerks to pay their own expenses when traveling strictly on post-office business away from their designated headquarters. No private employer would require such a sacrifice from his employees and *a fortiori* the United States should not do so.

Mr. OVERSTREET. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. CURRIER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 26305, the post-office appropriation bill, and had come to no resolution thereon.

ALLEGED INSULT TO THE AMERICAN FLAG.

Mr. HARRISON. Mr. Speaker, I ask unanimous consent to have printed in the Record a report from the Committee on Foreign Affairs which should have accompanied a motion to lay on the table the resolution (H. Res. 493) yesterday in the House. The resolution was introduced by the gentleman from Nebraska [Mr. HITCHCOCK], and the report was not filed at that time. The report gives the reasons for the action of the committee.

The SPEAKER. The gentleman from New York [Mr. HARRISON] asks unanimous consent to print in the Record the report designated by him. Is there objection?

There was no objection.

The report (No. 1926, by Mr. McKINLEY of Illinois) is as follows:

The Committee on Foreign Affairs, to whom was referred the House resolution (H. Res. 493), asking that the Secretary of State report to the House any information he may have received concerning an encounter in the city of Prague, Bohemia, in which it was stated that the American flag was torn into strips and trampled in the mud, respectfully report it back to the House with the recommendation that it lie upon the table.

In support of this recommendation, attention is called to the following correspondence of the Department of State:

AMERICAN EMBASSY,
Vienna, December 3, 1908.

Sir: I have the honor to inform you that martial law was declared yesterday in Prague, Bohemia. The cause of such action on the part of the Government was a riot which broke out on Monday between the Czechs (Bohemians) and the German students at the university in that city.

Since the first outbreak on Monday, the popular feeling has found expression to such an extent that the police and gendarmes have been unable to maintain order. A serious conflict took place in one of the principal streets of Prague on Tuesday between the rioters, numbering about 20,000, and the police, during which many persons were injured, including several police officers, although no fatalities have been reported. The revolt on the part of the Czechs has not been confined to the students, the Czech population not only sympathizing but openly joining the ranks of the rioters.

It is said that the immediate cause of the present outbreak was the advertised laying of the corner stone of a new German university in Prague. The Bohemian students desire that a Bohemian university shall be built instead, in which courses of instruction shall be given in the Czech language.

It is reported that similar outbreaks on a smaller scale have taken place in Lalbach, Troppau, Brunn, and other places in the Austrian Empire. Austrian flags were torn down and insulted and many of the rioters sang the national songs of Serbia.

I am, sir, your obedient servant,

CHARLES S. FRANCIS.

Hon. ELIHU ROOT,

Secretary of State, Washington, D. C.

DEPARTMENT OF STATE,
Washington, January 22, 1909.

Sir: Referring to my letter of the 20th instant in regard to the resolution introduced by Mr. HITCHCOCK, calling for information concerning the alleged insult to the American flag in Prague, I now have the honor to inform you that inquiry has been made by telegraph and reports have been received from the American consul at Prague stating that he has investigated the matter and has had an interview with the police president, and is able to say that the report of the alleged insult is without foundation. It appears from the telegrams, copies of which are appended for your information, that the American and British flags were displayed over a photograph shop, and that the British flag was torn down by a riotous procession and carried some distance, when it was taken by the police. The American flag was left undisturbed.

I have the honor to be, sir, your obedient servant,

ROBERT BACON,
Acting Secretary.

Hon. JAMES BRECK PERKINS,
Committee on Foreign Affairs, House of Representatives.

PRAGUE (undated).
(Received 10.16 a. m., January 22, 1909.)

SECRETARY OF STATE, Washington:

American and British flags hung over photograph shop. British torn down by riotous procession, carried some distance, when taken by police. American flag absolutely undisturbed. Had an interview with police president.

BRITAIN.

PRAGUE, January 21, 1909.
(Received 4.34 p. m., January 21, 1909.)

SECRETARY STATE, Washington:

Absolutely false. British flag taken from riotous procession by police. I previously investigated.

BRITAIN.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. WILSON of Illinois, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 8733. An act for the relief of Walter W. Keefe;

H. R. 9969. An act for the relief of George J. Miller, of Wenatchee, Wash.;

H. R. 15218. An act for the relief of the sureties on the official bond of the late Cornelius Van Cott;

H. R. 23849. An act granting pensions and increase of pensions to certain soldiers and sailors of the civil war and certain widows and dependent relatives of such soldiers and sailors;

H. R. 23850. An act granting pensions and increase of pensions to certain soldiers and sailors of the civil war and certain widows and dependent relatives of such soldiers and sailors; and

H. R. 25409. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the civil war, and to widows and dependent relatives of such soldiers and sailors.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 2024. An act to amend "An act authorizing the Commissioners of the District of Columbia to grant to the Veteran Volunteer Firemen's Association use of certain property in the city of Washington," approved March 2, 1891.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated:

S. 8302. An act to incorporate the "Descendants of the Signers"—to the Committee on the Library.

S. 7325. An act for the relief of Cadmus E. Crabill—to the Committee on Claims.

S. 6550. An act granting an honorable discharge to Thompson B. Pollard—to the Committee on Military Affairs.

S. R. 119. Joint resolution authorizing the Secretary of War to award gold medals to Orville Wright and Wilbur Wright—to the Committee on Military Affairs.

LIFE-PRESERVERS ON MOTOR BOATS.

Mr. GREENE. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from the further consideration of the bill (S. 8266) to require life-preservers on motor boats and that the same be referred to the Committee on the Merchant Marine and Fisheries.

The SPEAKER. The gentleman asks unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from the further consideration of the bill indicated and that the same be referred to the Committee on the Merchant Marine and Fisheries. Is there objection?

There was no objection.

ENROLLED BILL AND JOINT RESOLUTION SIGNED.

Mr. WILSON of Illinois, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill and joint resolution of the following titles, when the Speaker signed the same:

H. R. 15452. An act to establish two or more fish-cultural stations on Puget Sound; and

H. J. Res. 202. Joint resolution authorizing the granting of permits to the committee on inaugural ceremonies on the occasion of the inauguration of the President-elect on March 4, 1909, etc.

ADJOURNMENT.

Mr. OVERSTREET. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock p. m.) the House adjourned.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

A letter from the Acting Secretary of the Treasury, transmitting a detailed statement of the refunds of customs duties for the fiscal year ended June 30, 1908 (H. Doc. No. 1367)—to the Committee on Ways and Means and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting an estimate of appropriation for tower clock in the Jacksonville (Fla.) post-office building (H. Doc. No. 1368)—to the Committee on Appropriations and ordered to be printed.

A letter from the Acting Secretary of the Treasury, transmitting a copy of a letter from the Secretary of the Interior submitting an estimate of appropriation for line riders at the Northern Cheyenne Reservation, in Montana (H. Doc. No. 1369)—to the Committee on Indian Affairs and ordered to be printed.

A letter from the president of the East Washington Heights Traction Railroad Company, transmitting the annual report for 1908 (H. Doc. No. 1370)—to the Committee on the District of Columbia and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. HULL of Iowa, from the Committee on Military Affairs, to which was referred the joint resolution of the House (H. J. Res. 234) to authorize the Secretary of War to furnish two condemned bronze cannon and cannon balls to the city of Bedford, Ind., reported the same with amendment, accompanied by a report (No. 1938), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the joint resolution of the House (H. J. Res. 241) to authorize the Secretary of War to furnish one condemned bronze cannon and cannon balls to the city of Robinson, Ill., reported the same without amendment, accompanied by a report (No. 1939), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill of the House (H. R. 24627) authorizing the Secretary of War to furnish two condemned brass or bronze "Napoleon" guns, carriages, and cannon balls to the Grand Army post at Lewistown, Pa., reported the same without amendment, accompanied by a report (No. 1940), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. COOPER of Wisconsin, from the Committee on Insular Affairs, to which was referred the bill of the House (H. R. 25155) to amend an act approved July 1, 1902, entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," reported the same without amendment, accompanied by a report (No. 1941), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. JONES of Washington, from the Committee on Rivers and Harbors, to which was referred the bill of the House (H. R. 26984) extending the time for the construction by James A. Moore or his assigns of a canal along the government right of way connecting the waters of Puget Sound with Lake Washington, reported the same without amendment, accompanied by a report (No. 1942), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. HULL of Iowa, from the Committee on Military Affairs, to which was referred the bill of the House (H. R. 27051) authorizing the Secretary of War to furnish one condemned brass or bronze "Napoleon" gun, carriage, and cannon balls to the State of Iowa, reported the same without amendment, accompanied by a report (No. 1943), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill of the House (H. R. 12890) to increase the efficiency of the Signal Corps of the Army, reported the same with amendments, accompanied by a report (No. 1945), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill of the House (H. R. 24149) granting to the Montana, Wyoming and Southern Railway Company a right of way across the Fort Keogh Military Reservation, Mont., reported the same with amendment, accompanied by a report (No. 1946), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. ADAMSON, from the Committee on Interstate and Foreign Commerce, to which was referred the bill of the House (H. R. 26073) to approve and ratify the construction of a bridge across the Indian River North, in the State of Florida, by the New Smyrna Bridge and Investment Company, reported the same with amendments, accompanied by a report (No. 1935), which said bill and report were referred to the House Calendar.

Mr. ESCH, from the Committee on Interstate and Foreign Commerce, to which was referred the bill of the House (H. R. 26466) authorizing the city of Burlington, Iowa, to construct a bridge across the Mississippi River at Burlington, Iowa, reported the same with amendments, accompanied by a report (No. 1936), which said bill and report were referred to the House Calendar.

Mr. GAINES of West Virginia, from the Committee on Election of President, Vice-President, etc., to which was referred the concurrent resolution of the Senate (S. C. Res. 57) for the counting of the electoral votes for President and Vice-President of the United States, reported the same without amendment, accompanied by a report (No. 1944), which said concurrent resolution and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. HAUGEN, from the Committee on War Claims, to which was referred the bill of the House (H. R. 3674) for the relief of Mrs. M. E. West, reported the same without amendment, accompanied by a report (No. 1928), which said bill and report were referred to the Private Calendar.

Mr. CLAYTON, from the Committee on War Claims, to which was referred the bill of the House (H. R. 24105) for the relief of the estate of T. J. Semmes, deceased, reported the same without amendment, accompanied by a report (No. 1929), which said bill and report were referred to the Private Calendar.

Mr. HAUGEN, from the Committee on War Claims, to which was referred the bill of the House (H. R. 3670) for the relief of A. M. Darling and F. C. Darling, reported the same without amendment, accompanied by a report (No. 1930), which said bill and report were referred to the Private Calendar.

Mr. LAW, from the Committee on War Claims, to which was referred House bill 26403, reported in lieu thereof a resolution (H. Res. 510) referring to the Court of Claims the papers in the case of Horace B. Gardner, accompanied by a report (No. 1931), which said resolution and report were referred to the Private Calendar.

Mr. HAUGEN, from the Committee on War Claims, to which was referred House bill 5661, reported in lieu thereof a resolution (H. Res. 511) referring to the Court of Claims the papers in the case of Robert Michaels, accompanied by a report (No. 1932), which said resolution and report were referred to the Private Calendar.

Mr. FLOYD, from the Committee on War Claims, to which was referred House bill 17072, reported in lieu thereof a resolution (H. Res. 512) referring to the Court of Claims the papers in the case of Sarah E. Terrill, accompanied by a report (No. 1933), which said resolution and report were referred to the Private Calendar.

Mr. HAUGEN, from the Committee on War Claims, to which was referred House bill 26312, reported in lieu thereof a resolution (H. Res. 513) referring to the Court of Claims the papers in the case of William and James Taylor, accompanied by a report (No. 1934), which said resolution and report were referred to the Private Calendar.

Mr. PRINCE, from the Committee on Military Affairs, to which was referred the bill of the House (H. R. 24995) for the relief of Nathaniel Huntley, reported the same without amendment, accompanied by a report (No. 1937), which said bill and report were referred to the Private Calendar.

Mr. HOWELL of Utah, from the Committee on Claims, to which was referred the bill of the House (H. R. 2950) for the relief of certain officers of the United States Signal Corps, reported the same without amendment, accompanied by a report (No. 1947), which said bill and report were referred to the Private Calendar.

Mr. KITCHIN, from the Committee on Claims, to which was referred the bill of the House (H. R. 15755) for the relief of J. C. Haggard, of White County, Tenn., reported the same without amendment, accompanied by a report (No. 1948), which said bill and report were referred to the Private Calendar.

Mr. MILLER, from the Committee on Claims, to which was referred the bill of the House (H. R. 19579) for the relief of J. W. Patterson, reported the same with amendment, accompanied by a report (No. 1949), which said bill and report were referred to the Private Calendar.

Mr. HAWLEY, from the Committee on Claims, to which was referred the bill of the Senate (S. 212) to reimburse S. R. Green, postmaster of Oregon City, Oreg., for moneys lost by burglary, reported the same without amendment, accompanied by a report (No. 1950), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill of the Senate (S. 568) for the relief of Capt. George Van Orden, U. S. Marine Corps, reported the same without amendment, accompanied by a report (No. 1951), which said bill and report were referred to the Private Calendar.

Mr. GRAHAM, from the Committee on Claims, to which was referred the bill of the Senate (S. 685) to provide for the payment of John M. McDowell for services rendered in preparing a new set of indices of all the records of Council City recording district of the second judicial district of Alaska, reported the same without amendment, accompanied by a report (No. 1952), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill of the Senate (S. 1204) for the relief of J. M. Bloom, reported the same without amendment, accompanied by a report (No. 1953), which said bill and report were referred to the Private Calendar.

Mr. HOWELL of Utah, from the Committee on Claims, to which was referred the bill of the Senate (S. 1750) to reimburse Ella M. Collins, late postmaster at Goldfield, Nev., for money expended for clerical assistance and supplies, reported the same without amendment, accompanied by a report (No. 1954), which said bill and report were referred to the Private Calendar.

Mr. MILLER, from the Committee on Claims, to which was referred the bill of the Senate (S. 1752) to reimburse Garrett R. Bradley, late postmaster at Tonopah, Nev., for money expended for clerical assistance, reported the same without amendment, accompanied by a report (No. 1955), which said bill and report were referred to the Private Calendar.

Mr. HOWELL of Utah, from the Committee on Claims, to which was referred the bill of the Senate (S. 3723) for the relief of the Farmers' and Merchants' Bank, of Mandan, N. Dak., reported the same without amendment, accompanied by a report (No. 1956), which said bill and report were referred to the Private Calendar.

Mr. WALDO, from the Committee on Claims, to which was referred the bill of the Senate (S. 3808) to refund certain excess duties paid upon importations of absinthe and kirschwasser from Switzerland between June 1, 1898, and December 5, 1898, reported the same without amendment, accompanied by a report (No. 1957), which said bill and report were referred to the Private Calendar.

Mr. HAWLEY, from the Committee on Claims, to which was referred the bill of the Senate (S. 4435) for the relief of George Q. Allen, reported the same without amendment, accompanied by a report (No. 1958), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill of the Senate (S. 6891) for the relief of Maj. G. S. Bingham, reported the same without amendment, accompanied by a report (No. 1959), which said bill and report were referred to the Private Calendar.

Mr. HOWELL of Utah, from the Committee on Claims, to which was referred the bill of the Senate (S. 7390) for the relief of Christina Rockwell, reported the same without amendment, accompanied by a report (No. 1960), which said bill and report were referred to the Private Calendar.

ADVERSE REPORT.

Under clause 2 of Rule XIII,

Mr. LAW, from the Committee on War Claims, to which was referred the bill of the Senate (S. 1762) for the relief of the trustees of the Davenport Female College, reported the same adversely, accompanied by a report (No. 1927), which said bill and report were laid on the table.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 24955) granting an increase of pension to John N. Jennings—Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 26639) granting an increase of pension to Michael Kenney—Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 8599) granting a pension to Thomas L. Darden—Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 27088) granting a pension to Allen C. Wright—Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 9595) granting a pension to Richard M. Smith—Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. KENNEDY of Ohio: A bill (H. R. 27139) to provide for the sittings of the United States circuit and district courts of the northern district of Ohio at the city of Youngstown, in said district—to the Committee on the Judiciary.

By Mr. COCKS of New York: A bill (H. R. 27140) regulating the mail pay of the Long Island Railroad—to the Committee on the Post-Office and Post-Roads.

By Mr. LIVINGSTON: A bill (H. R. 27141) providing for the purchase of a painting of Abraham Lincoln—to the Committee on the Library.

By Mr. ENGLEBRIGHT: A bill (H. R. 27142) to amend section 2337 of the Revised Statutes—to the Committee on Mines and Mining.

By Mr. FERRIS (by request): A bill (H. R. 27143) to enable the Secretary of the Interior to dispose of the affairs of the Five Civilized Tribes, and for other purposes—to the Committee on Indian Affairs.

By Mr. SMITH of Michigan: A bill (H. R. 27144) regulating the purchase, sale, loan, exchange, gift, borrowing, or receiving deadly or dangerous weapons in the District of Columbia—to the Committee on the District of Columbia.

By Mr. BURKE: A bill (H. R. 27145) to require radio-telegraphic installations and radio telegraphers on certain ocean steamers—to the Committee on the Merchant Marine and Fisheries.

By Mr. FLOOD: A bill (H. R. 27146) providing for the erection of a public building in the town of Waynesboro, Va.—to the Committee on Public Buildings and Grounds.

By Mr. COOPER of Wisconsin: A bill (H. R. 27147) to provide for payment of the claims of the Roman Catholic Church in Porto Rico—to the Committee on War Claims.

By Mr. DAVENPORT: A bill (H. R. 27148) to enable the Secretary of the Interior to dispose of the affairs of the Cherokee, Creek, and Seminole Indians in Oklahoma, and for other purposes—to the Committee on Indian Affairs.

By Mr. OLCOTT: A bill (H. R. 27149) regulating the operation of motor vehicles within the District of Columbia or the Territories of the United States, and while regularly engaged in interstate and foreign commerce or the postal service—to the Committee on the District of Columbia.

By Mr. MARSHALL: A bill (H. R. 27150) to provide for the issuance of homestead patents in certain instances—to the Committee on the Public Lands.

By Messrs. RANDELL of Louisiana, MOORE of Pennsylvania, SHERLEY, and BARTHOLDT: A bill (H. R. 27151) to provide for the improvement of the waterways of the United States and Territories—to the Committee on Ways and Means.

By Mr. BROUSSARD: A bill (H. R. 27152) to provide for the deepening of the mouth of the Atchafalaya River, in Louisiana, to 21 feet in depth along and following the canal recently cut at the mouth of the Atchafalaya by the Atchafalaya Bay Ship Canal Company—to the Committee on Rivers and Harbors.

By Messrs. RANDELL of Louisiana, MOORE of Pennsylvania, SHERLEY, and BARTHOLDT: A bill (H. R. 27153) authorizing the appointment of a waterways commission—to the Committee on Interstate and Foreign Commerce.

By Mr. GODWIN: Concurrent resolution (H. C. Res. 61) for a survey of the Northeast Branch of Cape Fear River, North Carolina—to the Committee on Rivers and Harbors.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. ADAIR: A bill (H. R. 27154) to remove charge of desertion against Aaron S. Linn and grant him an honorable discharge—to the Committee on Military Affairs.

By Mr. ANSBERRY: A bill (H. R. 27155) granting an increase of pension to Rachel Turner—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27156) granting an increase of pension to Solomon Hall—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27157) granting an increase of pension to William M. Saer—to the Committee on Invalid Pensions.

By Mr. ANTHONY: A bill (H. R. 27158) granting an increase of pension to Henry M. Reed—to the Committee on Invalid Pensions.

By Mr. BANNON: A bill (H. R. 27159) granting an increase of pension to William Stokely—to the Committee on Invalid Pensions.

By Mr. BARNHART: A bill (H. R. 27160) granting an increase of pension to Joseph Heiser—to the Committee on Invalid Pensions.

By Mr. BATES: A bill (H. R. 27161) granting an increase of pension to Edward F. Harter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27162) granting an increase of pension to William H. Knight—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27163) granting an increase of pension to Theodore C. Green—to the Committee on Invalid Pensions.

By Mr. BRADLEY: A bill (H. R. 27164) authorizing the settlement of certain outstanding liabilities of the Government by the issue of new drafts upon the return of drafts heretofore issued representing said liabilities—to the Committee on Claims.

By Mr. CANNON: A bill (H. R. 27165) granting an increase of pension to George McMillan—to the Committee on Invalid Pensions.

By Mr. DAVIDSON: A bill (H. R. 27166) granting an increase of pension to Walter W. Wright—to the Committee on Invalid Pensions.

By Mr. DAVES: A bill (H. R. 27167) for the relief of Matthew Augenstein, Daniel Owen, and others—to the Committee on Claims.

By Mr. DIXON: A bill (H. R. 27168) granting an increase of pension to William Morton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27169) granting an increase of pension to Barton W. Rodgers—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27170) granting an increase of pension to Gottlieb Tosky—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27171) granting an increase of pension to Henry C. Myrick—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27172) granting an increase of pension to Alexander Clements—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27173) granting an increase of pension to Edmund Gannon—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27174) granting an increase of pension to Thomas A. Reed—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27175) granting an increase of pension to Barton W. Rogers—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27176) granting an increase of pension to Silas A. Lambert—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27177) granting a pension to Laura Brand—to the Committee on Invalid Pensions.

By Mr. EDWARDS of Georgia: A bill (H. R. 27178) for the relief of Abraham Leffer—to the Committee on War Claims.

By Mr. EDWARDS of Kentucky: A bill (H. R. 27179) granting an increase of pension to William W. Matlock—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27180) granting an increase of pension to Harvey D. Burnett—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27181) granting an increase of pension to Charles Ross—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27182) granting an increase of pension to William H. Waddle—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27183) granting an increase of pension to John C. Duff—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27184) granting an increase of pension to Daniel Parker—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27185) granting an increase of pension to Richard L. Wilson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27186) granting an increase of pension to James Campbell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27187) granting an increase of pension to Hugh T. Ross—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27188) granting an increase of pension to Henry Scott—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27189) granting an increase of pension to William H. Meece—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27190) for the relief of William Wells—to the Committee on War Claims.

Also, a bill (H. R. 27191) granting a pension to Catherine Spencer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27192) granting a pension to Hannah E. Carroll—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27193) granting a pension to Vanna Cox—to the Committee on Pensions.

By Mr. FAVROT: A bill (H. R. 27194) for the relief of Leonise Gonzales, administratrix of the estate of Lawrence Montero, deceased—to the Committee on War Claims.

By Mr. FLOYD: A bill (H. R. 27195) granting an increase of pension to John W. Loy—to the Committee on Invalid Pensions.

By Mr. GLASS: A bill (H. R. 27196) providing for the payment of a specified sum to the estate of Henry Yonge, deceased—to the Committee on Claims.

By Mr. GORDON: A bill (H. R. 27197) for the relief of the estate of Edmund Dillahunt, deceased—to the Committee on War Claims.

By Mr. GREGG: A bill (H. R. 27198) granting an increase of pension to Josephus Thomas—to the Committee on Invalid Pensions.

By Mr. GRONNA: A bill (H. R. 27199) for the relief of certain Indians on the Fort Berthold Reservation, N. Dak.—to the Committee on Indian Affairs.

By Mr. HAMILTON of Michigan: A bill (H. R. 27200) granting an increase of pension to George A. Brown—to the Committee on Invalid Pensions.

By Mr. HAMLIN: A bill (H. R. 27201) granting a pension to Robert C. Grove—to the Committee on Invalid Pensions.

By Mr. HARDY: A bill (H. R. 27202) granting a pension to Luther Sargent—to the Committee on Invalid Pensions.

By Mr. HEFLIN: A bill (H. R. 27203) granting a pension to W. L. Buford—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27204) for the relief of the heirs of William Jones, deceased—to the Committee on War Claims.

By Mr. ADDISON D. JAMES: A bill (H. R. 27205) granting a pension to Laura B. Adams—to the Committee on Invalid Pensions.

By Mr. JOHNSON of Kentucky: A bill (H. R. 27206) for the relief of William Lair—to the Committee on War Claims.

By Mr. KIMBALL: A bill (H. R. 27207) granting an increase of pension to Christopher C. Grinstead—to the Committee on Invalid Pensions.

By Mr. KNAPP: A bill (H. R. 27208) to reopen and adjust the accounts for service of Brig. Gen. Thomas Ward, U. S. Army, retired, and Maj. William Silvey, U. S. Army, deceased—to the Committee on Claims.

By Mr. LANGLEY: A bill (H. R. 27209) granting an increase of pension to Edwin McPherson—to the Committee on Invalid Pensions.

By Mr. LEGARE: A bill (H. R. 27210) for the relief of the heirs of George Jacob Hutmacher, deceased—to the Committee on War Claims.

By Mr. MCGUIRE: A bill (H. R. 27211) for the relief of John A. Oliphant—to the Committee on Claims.

By Mr. McHENRY: A bill (H. R. 27212) granting an increase of pension to Edward Bretz—to the Committee on Invalid Pensions.

By Mr. MARSHALL: A bill (H. R. 27213) granting an increase of pension to John N. Chamberlin—to the Committee on Invalid Pensions.

By Mr. MORSE: A bill (H. R. 27214) for the relief of H. W. Mavis—to the Committee on Claims.

Also, a bill (H. R. 27215) granting an increase of pension to Frank A. Hoyt—to the Committee on Invalid Pensions.

By Mr. PAYNE: A bill (H. R. 27216) granting a pension to Sarah M. Poyneer—to the Committee on Invalid Pensions.

By Mr. PEARRE: A bill (H. R. 27217) granting an increase of pension to Alfred Highbarger—to the Committee on Invalid Pensions.

By Mr. REID: A bill (H. R. 27218) granting a pension to Michael Brown—to the Committee on Invalid Pensions.

By Mr. RUSSELL of Missouri: A bill (H. R. 27219) granting an increase of pension to Samuel M. McAnally—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27220) granting an increase of pension to Benjamin Atkinson—to the Committee on Invalid Pensions.

By Mr. SHACKLEFORD: A bill (H. R. 27221) for the relief of the Bank of Freeburg, of Freeburg, Mo.—to the Committee on Claims.

By Mr. YOUNG: A bill (H. R. 27222) granting an increase of pension to Arthur Wilson—to the Committee on Invalid Pensions.

By Mr. WASHBURN: A bill (H. R. 27223) granting a pension to Sumner Cummings—to the Committee on Invalid Pensions.

By Mr. WEISSE: A bill (H. R. 27224) granting an increase of pension to Edward Pfrang—to the Committee on Invalid Pensions.

By Mr. AIKEN: A bill (H. R. 27225) granting an increase of pension to James A. Caldwell—to the Committee on Pensions.

By Mr. BURNETT: A bill (H. R. 27226) granting a pension to Stephen D. Kennamer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27227) granting a pension to S. F. Kennamer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27228) granting a pension to Jacob L. Kennamer—to the Committee on Invalid Pensions.

By Mr. CAMPBELL: A bill (H. R. 27229) granting an increase of pension to Charles Carpenter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27230) granting an increase of pension to Lee Toms—to the Committee on Pensions.

By Mr. HUGHES of West Virginia: A bill (H. R. 27231) to correct the military record of H. C. Dunkle—to the Committee on Military Affairs.

Also, a bill (H. R. 27232) for the relief of James C. McFarland and heirs—to the Committee on War Claims.

By Mr. LANGLEY: A bill (H. R. 27233) granting an increase of pension to Charles Franklin—to the Committee on Pensions.

Also, a bill (H. R. 27234) granting an increase of pension to John W. Faulkner—to the Committee on Invalid Pensions.

Also, a bill (H. R. 27235) for the relief of Harriet Auxier—to the Committee on War Claims.

Also, a bill (H. R. 27236) to correct the military record of John Barnett—to the Committee on Military Affairs.

By Mr. PAYNE: A bill (H. R. 27237) granting an increase of pension to Oliver Raplee—to the Committee on Invalid Pensions.

By Mr. LINDSAY: Resolution (H. Res. 514) for appointment of John O. Snyder as special messenger to the House of Representatives—to the Committee on Accounts.

By Mr. FORNES: Resolution (H. Res. 515) providing for the appointment of Frederick Richter, of New York, a special messenger in and about the House, succeeding William A. Watson, deceased—to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ACHESON: Petition of H. M. Nevius, commander in chief of the Grand Army of the Republic, against pension-agency consolidation—to the Committee on Appropriations.

By Mr. ANSBERRY: Petition of farmers' institute of Columbus Grove, Putnam County, Ohio, favoring parcels-post and postal savings bank laws—to the Committee on the Post-Office and Post-Roads.

By Mr. BATES: Paper to accompany bill for relief of Amos Chipmans—to the Committee on Invalid Pensions.

Also, petition favoring S. 6973, for increase of salaries to judges of federal courts—to the Committee on the Judiciary.

Also, petition of Army and Navy Union of the United States, for legislation retiring petty officers and enlisted men of the navy after twenty-five years of continuous service—to the Committee on Naval Affairs.

Also, petitions of American Hardware Manufacturers' Association and Lowell Manufacturing Company, of Erie, Pa., favoring less stringent patent laws—to the Committee on Patents.

Also, petition of Elk Tanning Company, favorable to removal of duty on hides—to the Committee on Ways and Means.

By Mr. BONYNGE: Petition of chamber of commerce, favoring H. R. 21848 (Lincoln farm bill)—to the Committee on Appropriations.

By Mr. BURKE: Petition of Pittsburgh American Institute of Architects, favoring placing Lincoln memorial on west end of the Mall—to the Committee on the Library.

By Mr. BURLEIGH: Petition of Lamoine Grange, Patrons of Husbandry, of Maine, against establishment of postal savings banks and a parcels post—to the Committee on the Post-Office and Post-Roads.

By Mr. CALDER: Petition of bar association of New York, favoring H. R. 23464, increasing salaries of justices of the United States—to the Committee on the Judiciary.

Also, petition of F. H. Magdeburg, of Milwaukee, Wis., against consolidation of pension agencies—to the Committee on Appropriations.

By Mr. CASSEL: Memorial of the Lancaster County Tobacco Growers' Association, of Lancaster County, Pa., adopted December 14, 1908, and indorsed by Ezra Reist, J. Francis Dunlap, and others; also 78 other petitions of the same character, indorsed by 4,085 signers, protesting against the importation of any tobacco and cigars from the Philippine Islands free of duty—to the Committee on Ways and Means.

By Mr. CLARK of Florida: Petition of E. T. R. Tripp, N. D. Hensen, S. Sorrensen, and other citizens of Florida, against extradition of Ludowitz and Pouren and asking for the abrogation of the treaty of 1893 between the United States and Russia—to the Committee on Foreign Affairs.

By Mr. DIXON: Petition of Hope Grange, No. 2101, of Aurora, Ind., favoring parcels-post and postal savings bank laws—to the Committee on the Post-Office and Post-Roads.

By Mr. DRAPER: Petition of C. E. Armstrong, relative to the parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. DRISCOLL: Petition of S. N. Cowles and others, favoring parcels-post and postal savings bank laws—to the Committee on the Post-Office and Post-Roads.

By Mr. EDWARDS of Kentucky: Paper to accompany bill for relief of William Wells—to the Committee on War Claims.

Also, papers to accompany bills for relief of Vanna Cox and Martha Jones—to the Committee on Pensions.

Also, petition of business men of Kentucky, favoring a parcels-post law—to the Committee on the Post-Office and Post-Roads.

Also, papers to accompany bills for relief of Catherine Spencer, Harvey D. Burnett, William W. Matlock, Thomas J. Underwood, McKager Lawhorn, Perry T. Pollard, Nathaniel J. Smith, James Campbell, Richard L. Wilson, William H. Waddle, and Charles Ross—to the Committee on Invalid Pensions.

By Mr. ELLIS of Missouri: Papers to accompany bills for relief of John W. Faun (H. R. 26852) and William Wiedenmann (H. R. 24521)—to the Committee on Invalid Pensions.

By Mr. ENGLEBRIGHT: Petition of J. R. Glass and others, against passage of Senate bill 3940—to the Committee on the District of Columbia.

By Mr. FAVROT: Papers to accompany bills for relief of heirs of J. B. Mayot and heirs of Lawrence Montero—to the Committee on War Claims.

By Mr. FORNES: Petition of the adjutant-general of New York, favoring H. R. 2671 (increase of number of officers in the army)—to the Committee on Military Affairs.

Also, petition of F. H. Magdeburg, of Milwaukee, Wis., against consolidation of pension agencies—to the Committee on Appropriations.

Also, petition of Omaha workmen, favoring numerical limitation to all immigrants as substitute for oriental exclusion—to the Committee on Immigration and Naturalization.

Also, petition of American Institute of Architects, relative to the location of a memorial to the late President Lincoln—to the Committee on the Library.

By Mr. FRENCH: Petition of citizens of Idaho, against legislation to establish a parcels post and postal savings bank (S. 5122 and 6484)—to the Committee on the Post-Office and Post-Roads.

By Mr. FULLER: Petition of state school of agriculture of Morrisville, N. Y., favoring legislation for enlargement of authority of Agricultural Department to furnish adequate supply of intelligent farm labor—to the Committee on Agriculture.

Also, petition of River Improvement and Drainage Association of California, favoring H. R. 3892, for improvement of California rivers—to the Committee on Rivers and Harbors.

By Mr. GLASS: Paper to accompany bill for relief of estate of Henry Younge—to the Committee on Claims.

By Mr. GORDON: Paper to accompany bill for relief of estate of Edmund Dillahunty—to the Committee on War Claims.

By Mr. GOULDEN: Petition of American Prison Association of Richmond, Va., favoring suitable provision for meeting of International Prison Commission in Washington—to the Committee on Appropriations.

Also, petition of Public Schools Athletic League of New York City, favoring bill appropriating \$100,000 for rifle practice in public schools, colleges, etc.—to the Committee on Military Affairs.

Also, petition against provision for railway connection with the Washington Navy-Yard (H. R. 24334 and 24475)—to the Committee on Naval Affairs.

Also, petition against the passage of S. 3940 (proper observance of Sunday as a day of rest in the District of Columbia)—to the Committee on the District of Columbia.

Also, petitions of Merchants' Association of New York City and Bar Association of New York City, favoring S. 6973, increasing salaries of United States judges (H. R. 23464)—to the Committee on the Judiciary.

Also, petition of American Institute of Architects, favoring integrity of the Washington improvement plan by placing the Lincoln memorial at the west end of the Mall, crowning Rond Point—to the Committee on the Library.

Also, petition of National Board of Trade, against federal inspection of grain (S. 382)—to the Committee on Agriculture.

Also, petition of National Lumber Manufacturers' Association, for retention of present duty on lumber—to the Committee on Ways and Means.

Also, petition of F. H. Magdeburg, of Milwaukee, Wis., against consolidation of pension agencies—to the Committee on Appropriations.

Also, petition of Trades League of Philadelphia, for an increase in the salaries of United States circuit and district judges—to the Committee on the Judiciary.

Also, petition of the adjutant-general's office of the State of New York, favoring S. 2671, increasing number of officers of the army—to the Committee on Military Affairs.

By Mr. GRAHAM: Petition of Western Electric Company, favoring increase of salaries of United States judges—to the Committee on the Judiciary.

Also, petition of G. W. Da Cunha, favoring increase of President's salary to \$100,000 per year—to the Committee on Appropriations.

Also, petition of Pittsburg Chapter of American Institute of Architects, favoring the integrity of Washington improvements by placing Lincoln memorial at the west end of the Mall, crowning Round Point—to the Committee on the Library.

By Mr. GREENE: Petition of merchants, shipowners, pilots, insurance companies, marine societies, etc., for a survey of a channel in Nantucket Sound from Handkerchief light-vessel in a direction east-northeast—to the Committee on Rivers and Harbors.

By Mr. GRONNA: Petition of citizens of White Earth, N. Dak., favoring parcels post on rural delivery routes and establishment of postal savings banks (S. 5122 and 6484)—to the Committee on the Post-Office and Post-Roads.

By Mr. HAMILTON of Michigan: Petition of Cass County Pomona Grange, of Cass County, Mich., favoring parcels-post and postal savings banks laws—to the Committee on the Post-Office and Post-Roads.

Also, petition of citizens of Berrien Springs, Mich., against passage of Senate bill 3940—to the Committee on the District of Columbia.

By Mr. HAYES: Petitions of A. W. Thomas and 16 other citizens of Poplarville, Miss.; R. Z. Burleson and 47 others, of Minneapolis, N. C.; Millard F. Widner and 42 other citizens of Cleveland, Ohio; Max Poralla and 95 others, of San Jose, Cal.; C. W. Schmidt and 48 others, of Baltimore, Md.; W. Roberts and 48 others, of Cleveland, Ohio; W. P. Forbes and 46 others, of Hackett, Ark.; Clinton Z. White and 49 others, of Sacramento, Cal.; and H. C. Folsom, of San Jose, Cal., favoring an effective Asiatic exclusion law against all Asiatics excepting merchants, students, and travelers—to the Committee on Foreign Affairs.

By Mr. HEFLIN: Paper to accompany bill for relief of heirs of William Jones—to the Committee on War Claims.

By Mr. HILL of Connecticut: Petition of Colebrook Grange, No. 82, and Wichita Grange, No. 132, favoring a national highways commission—to the Committee on Agriculture.

Also, petition of Wichita Grange, No. 132, of Warren, Conn., favoring establishment of parcels post and postal savings banks (S. 5122 and 6484)—to the Committee on the Post-Office and Post-Roads.

By Mr. HINSHAW: Petition of citizens of Gochner, Nebr., against parcels-post and postal savings banks laws—to the Committee on the Post-Office and Post-Roads.

By Mr. HUBBARD of West Virginia: Papers to accompany bills for relief of Malvina J. Swager and John W. Flowers—to the Committee on Invalid Pensions.

By Mr. LAFEAN: Paper to accompany bill for relief of Susan Olewiler—to the Committee on Pensions.

By Mr. LINDSAY: Petition of the adjutant-general of New York, favoring S. 2671, to increase number of officers of the army—to the Committee on Military Affairs.

Also, petition of Merchants' Association of New York, for increase of salaries of judges—to the Committee on the Judiciary.

Also, petition of State School of Agriculture of New York, favoring enlarged power of Agricultural Department to supply intelligent farm labor—to the Committee on Agriculture.

Also, petition of Omaha workingmen, against legislation to exclude Asiatics—to the Committee on Foreign Affairs.

By Mr. LOUD: Petition of citizens of Midland County, Mich., favoring the parcels-post and postal savings banks system—to the Committee on the Post-Office and Post-Roads.

By Mr. LEE: Paper to accompany bill for relief of heirs of John Owings—to the Committee on War Claims.

By Mr. MARTIN: Petition of citizens of South Dakota, against passage of Senate bill 3940—to the Committee on the District of Columbia.

By Mr. MORSE: Petition of A. Rickbusch Grocery Company, favoring repeal of duty on raw and refined sugars—to the Committee on Ways and Means.

By Mr. NEEDHAM: Petition of citizens of California, against passage of the Johnston Sunday-rest bill (S. 3940)—to the Committee on the District of Columbia.

By Mr. NORRIS: Petition of Beatrice Commercial Club, favoring paying expenses of railway mail clerks away from their initial terminal—to the Committee on the Post-Office and Post-Roads.

Also, petition of citizens of the Fifth Congressional District of Nebraska, against a parcels-post and postal savings banks bill—to the Committee on the Post-Office and Post-Roads.

By Mr. POLLARD: Petition of Military Order of the Loyal Legion, of Omaha, favoring creation of volunteer officers' retired list—to the Committee on Military Affairs.

Also, petition of Commercial Club of McCook, Nebr., favoring appropriation to pay railway mail clerks' expenses from their initial terminal—to the Committee on the Post-Office and Post-Roads.

By Mr. RHINOCK: Paper to accompany bill for relief of Thomas Johnson (H. R. 5804)—to the Committee on Invalid Pensions.

Also, paper to accompany bill for relief of Frank A. Berlage (H. R. 26581)—to the Committee on Pensions.

By Mr. SHERWOOD: Petition of C. T. Hoffman and others, favoring a national highways commission—to the Committee on Agriculture.

By Mr. SMITH of Michigan: Memorial of 14 citizens' associations of Washington, D. C., for a new plan of government for city of Washington, D. C.—to the Committee on the District of Columbia.

Also, petition of Federation of Jewish Organizations, for appointment of chaplains in army and navy of the Jewish faith—to the Committee on Military Affairs.

By Mr. STERLING: Paper to accompany bill H. R. 26971 (previously referred to the Committee on Invalid Pensions)—to the Committee on Claims.

By Mr. SULZER: Petition of Trades League of Philadelphia, favoring increase of salaries of United States judges—to the Committee on the Judiciary.

Also, petition of National Board of Trade, annual meeting January 20, 1909, against federal inspection and grading of grain (S. 382)—to the Committee on Interstate and Foreign Commerce.

Also, petition of Merchants' Association of New York, favoring increase of salaries of United States judges—to the Committee on the Judiciary.

Also, petition of American Institute of Architects, favoring integrity of plan of improvement of Washington by placing the memorial of Lincoln at west end of the Mall—to the Committee on the Library.

Also, petition of Postal Savings Bank League, favoring establishment of parcels post on the rural mail-delivery routes and postal savings banks—to the Committee on the Post-Office and Post-Roads.

Also, petition of National Lumber Manufacturers' Association, against reduction of duty on lumber—to the Committee on Ways and Means.

Also, petition of the commander in chief of the Grand Army of the Republic, against consolidation of pension agencies—to the Committee on Appropriations.

By Mr. SWASEY: Petitions of citizens of Wiscasset, Me., favoring a national highways commission—to the Committee on Agriculture.

Also, petition of citizens of Warren and Bristol, Me., for parcels-post and postal savings banks laws—to the Committee on the Post-Office and Post-Roads.

By Mr. THOMAS of Ohio: Petition of V. R. Warner and others, favoring establishment of parcels post and postal savings banks (S. 5122 and 6484)—to the Committee on the Post-Office and Post-Roads.

Also, petition of Harts Grove Grange, No. 1684, in favor of creation of national highways commission—to the Committee on Agriculture.

Also, petition of G. S. Brobst, favoring parcels-post and postal savings banks laws—to the Committee on the Post-Office and Post-Roads.

Also, petition of C. A. Peck and others, favoring enactment of a law creating a national highways commission—to the Committee on Agriculture.

Also, petition of C. H. Crofut and other residents of Chardon, favoring parcels-post and postal savings banks laws—to the Committee on the Post-Office and Post-Roads.

By Mr. WASHBURN: Paper to accompany bill for relief of Owen Smith (previously referred to the Committee on Invalid Pensions)—to the Committee on Military Affairs.

Also, paper to accompany bill for relief of Sumner Cummings—to the Committee on Invalid Pensions.

By Mr. WILSON of Pennsylvania: Petition of residents of Erie County, Pa., for a national highways commission—to the Committee on Agriculture.

Also, petition of Board of Trade of Harrisburg, Pa., favoring the payment of railway postal clerks' expenses from their initial terminals—to the Committee on the Post-Office and Post-Roads.